



**Sean Rogan**  
Executive Director

**HOUSING AUTHORITY  
of the County of Los Angeles**

Administrative Office

2 Coral Circle • Monterey Park, CA 91755

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**Gloria Molina**  
**Mark Ridley-Thomas**  
**Zev Yaroslavsky**  
**Don Knabe**  
**Michael D. Antonovich**  
Commissioners

**AGENDA  
FOR THE REGULAR MEETING OF THE  
LOS ANGELES COUNTY HOUSING COMMISSION  
WEDNESDAY, DECEMBER 16, 2009  
12:00 NOON  
BUSINESS TECHNOLOGY CENTER  
2400 N. LINCOLN AVENUE  
ALTADENA, CA 91001  
(626) 296-6300**

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**1. Call to Order**

**2. Roll Call**

**Severyn Aszkenazy, Chair**  
**Lynn Caffrey Gabriel, Vice Chair**  
**Adriana Martinez**  
**Henry Porter, Jr.**  
**Alberta Parrish**

**3. Reading and Approval of the Minutes of the Previous Meetings**

Regular Meeting of November 18, 2009

**4. Report of the Executive Director**

**5. Public Comments**

The public may speak on matters that are within the jurisdiction of the Housing Commission. Each person is limited to three minutes.

**NOTICE OF CLOSED SESSION**

**6. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
(Subdivision (b) of Government Code Section 54956.9)**

## **Regular Agenda**

**7. Approve an Engineering and Energy Efficiency Consultant Contract with Facility Strategies Group for the Nueva Maravilla Housing Development in Unincorporated East Los Angeles (District 1)**

Recommend that the Board of Commissioners award and authorize the Executive Director to execute and if necessary terminate a two-year contract in the amount of \$300,000 with Facility Strategies Group to provide engineering and energy efficiency consulting services for the Nueva Maravilla housing development, following approval as to form by County Counsel, and using a total of \$300,000 in Capital Fund Recovery Competition (CFRC) funds allocated by the U.S. Department of Housing and Urban Development (HUD) for this purpose; authorize the Executive Director to approve contract amendments to increase the compensation amount by up to \$30,000 for unforeseen project costs using the same source of funds, to extend the term as necessary without further increasing the contract sum, and to address other unforeseen issues; authorize the Executive Director to incorporate up to \$165,000 in CFRC funds into the Housing Authority's approved Fiscal Year 2009-10 budget for the first year of services. (APPROVE)

**8. Approval of Authority to Initiate Eviction Proceedings of Remaining Residents of Ujima Village Housing Development Located in Unincorporated Willowbrook (District 2)**

Recommend that the Board of Commissioners authorize the Executive Director to serve 30-day eviction notices on the remaining Ujima Village residents, pursuant to the requirements of the Uniform Relocation Act. (APPROVE)

**9. Approve One-Year Contracts for Security Guard Services (All Districts)**

Recommend that the Board of Commissioners approve and authorize the Executive Director to execute one-year contracts for Security Guard Services (Contracts) with General Security Services, Inc., Star Alliance Security, Inc., and American Guard Services, Inc., using the form of the attached standard Contract, to provide regular unarmed security guard services at the Housing Authority's administrative offices in the cities of Santa Fe Springs and Palmdale, and as-needed armed and unarmed security guard services at various housing sites and other properties owned, leased or managed by the Housing Authority throughout the County of Los Angeles, to be effective following approval as to form by County Counsel and execution by all parties; authorize the Executive Director to use up to an aggregate amount of \$222,000, consisting of \$122,000 in Section 8 Administrative Funds, \$50,000 in Capital Fund Program funds, and \$50,000 Housing Authority operating funds to be incorporated into the Housing Authority's approved Fiscal Year 2009-2010 budget as needed; authorize the Executive Director to execute Contract amendments, following approval as to form by County Counsel, as

necessary to incorporate specific sites, site-specific work requirements, compensation amounts, and other necessary terms and conditions; and authorize the Executive Director to extend the time of performance for a maximum of two years, in one-year increments, and to use for this purpose funds approved through the Housing Authority's annual budget process, not exceeding \$222,000 annually for the three Contracts; authorize the Executive Director to use for unforeseen regular and/or as-needed security guard services during year one of the Contracts, a maximum of \$55,500 to be incorporated in the Housing Authority's approved Fiscal Year 2009-2010 budget as needed; and an equal amount of annual funding for unforeseen regular and/or as-needed security guard services for years two and three of the Contracts, to be requested through the annual budget process if needed. (APPROVE)

10. **Approve Sublease for the University of California Cooperative Extension Program Office Space at 335-337 East Avenue K-10 in the City of Lancaster (Fifth District)**

Recommend that the Board of Commissioners approve a Sublease between the Housing Authority and the County, which will enable the Housing Authority to lease approximately 1,035 square feet of office space located at 335-337 East Avenue K-10 in the City of Lancaster, for use by the University of California Cooperative Extension program; authorize the Executive Director to execute the Sublease and all related documents, and to use a total of \$24,715 in County general funds included in the Housing Authority's approved Fiscal Year 2009-2010 budget for this purpose. (APPROVE)

11. **Approve Construction Contract with AZ Home Inc. for Southbay Gardens Community Room Kitchen Project in Unincorporated South Los Angeles (District 2)**

Recommend that the Board of Commissioners award and authorize the Executive Director to execute and if necessary terminate a contract with AZ Home, Inc. to complete the rehabilitation of the community room kitchen at the Southbay Gardens senior housing development, following approval as to form by County Counsel, using \$132,000 in Community Development Block Grant (CDBG) funds allocated to the Second Supervisorial District by the U.S. Department of Housing and Urban Development (HUD) and included in the Housing Authority's approved Fiscal Year 2009-10 budget for this purpose; authorize the Executive Director to approve contract change orders not exceeding \$26,420 for unforeseen project costs, using the same source of funds and following approval as to form by County Counsel. (APPROVE)

12. **Approve the 2010 Housing Commission Meeting Schedule**

13. **Election of Chair and Vice-Chair for 2010**

**14. Housing Commissioners Comments and Recommendations for Future Agenda Items**

Housing Commissioners may provide comments or suggestions for future Agenda items.

Copies of the preceding agenda items are on file and are available for public inspection between 8:00 a.m. and 5:00 p.m., Monday through Friday, at the Housing Authority's main office located at 2 Coral Circle in the City of Monterey Park. Access to the agenda and supporting documents is also available on the Housing Authority's website.

Agendas in Braille are available upon request. American Sign Language (ASL) interpreters, or reasonable modifications to Housing Commission meeting policies and/or procedures, to assist members of the disabled community who would like to request a disability-related accommodation in addressing the Commission, are available if requested at least three business days prior to the Board meeting. Later requests will be accommodated to the extent possible. Please contact the Executive Office of the Housing Authority by phone at (323) 838-5051, or by e-mail at [marisol.ramirez@lacdc.org](mailto:marisol.ramirez@lacdc.org), from 8:00 a.m. to 5:00 p.m., Monday through Friday.

# THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES

## MINUTES FOR THE REGULAR MEETING OF THE

## LOS ANGELES COUNTY HOUSING COMMISSION

Wednesday, November 18, 2009

The meeting was convened at the Housing Authority office located at 12131 Telegraph Road, Santa Fe Springs, California.

Digest of the meeting. The Minutes are being reported seriatim. A taped record is on file at the main office of the Housing Authority.

The meeting was called to order by Vice Chair Lynn Caffrey Gabriel at 12:12 p.m.

<b>ROLL CALL</b>	<b><u>Present</u></b>	<b><u>Absent</u></b>
Severyn Aszkenazy, Chair		X
Lynn Caffrey Gabriel, Vice Chair	X	
Adriana Martinez	X	
Henry Porter, Jr.	X	
Alberta Parrish		X

### **PARTIAL LIST OF STAFF PRESENT:**

Sean Rogan, Executive Director  
Dorian Jenkins, Assistant Executive Director, Housing Programs  
Maria Badrakhn, Director, Housing Management  
Emilio Salas, Director, Administrative Services  
Margarita Lares, Director, Assisted Housing

### **GUESTS PRESENT:**

There were no guests in attendance.

### **Reading and Approval of the Minutes of the Previous Meeting**

On Motion by Commissioner Gabriel, seconded by Commissioner Martinez, the Minutes of the Regular Meeting of October 28, 2009, were approved.

### **Agenda Item No. 4 - Report of the Executive Director**

Mr. Dorian Jenkins announced that next month the Board of Commissioners will vote on the recommended appointments to the Housing Commission and on the 2010 Schedule of Meetings.

### **Agenda Item No. 5 – Public Comments**

No public comments were presented.

## **Regular Agenda**

**On Motion by Commissioner Porter, seconded by Commissioner Martinez, and unanimously carried, the following was approved by the Housing Commission:**

**ADOPT RESOLUTION AUTHORIZING ISSUANCE OF MULTIFAMILY  
HOUSING MORTGAGE REVENUE BONDS FOR 105TH STREET &  
NORMANDIE SENIOR HOUSING DEVELOPMENT IN UNINCORPORATED  
WEST ATHENS/WESTMONT (DISTRICT 2)  
AGENDA ITEM NO. 6**

1. Recommend that the Board of Commissioners adopt and instruct the Chairman to sign a resolution authorizing the issuance of Multifamily Housing Mortgage Revenue Bonds by the Housing Authority, in an aggregate amount not exceeding \$8,000,000, to help Normandie Senior Housing Partners L.P. (Developer) to finance the site acquisition and construction of 105th & Normandie Senior Housing, a proposed 62-unit multifamily rental housing project to be located at 10402, 10408, 10410 and 10426 South Normandie Avenue, 1344 West 104<sup>th</sup> Street and 1335 West 105<sup>th</sup> Street in unincorporated West Athens/Westmont.
2. Recommend that the Board of Commissioners authorize the Executive Director to execute all related documents and take all necessary actions for the issuance, sale, and delivery of the bonds.
3. Recommend that the Board of Commissioners find that adoption of a resolution authorizing the issuance of Multifamily Housing Mortgage Revenue Bonds is not subject to the California Environmental Quality Act because the proposed activity will not have the potential for causing a significant effect on the environment.

**On Motion by Commissioner Martinez, seconded by Commissioner Porter, and unanimously carried, the following was approved by the Housing Commission:**

**ACCEPT CAPITAL FUND RECOVERY COMPETITION FUNDS AND  
APPROVE ARCHITECTURAL SERVICES CONTRACT FOR ELECTRICAL  
METER CONVERSION PROJECT AT THE NUEVA MARAVILLA HOUSING  
DEVELOPMENT IN UNINCORPORATED EAST LOS ANGELES  
(DISTRICT 1)  
AGENDA ITEM NO. 7**

1. Recommend that the Board of Commissioners authorize the Executive Director to accept \$5,924,000 in Capital Fund Recovery Competition (CFRC) funds awarded by the U.S. Department of Housing and Urban Development (HUD).

2. Recommend that the Board of Commissioners award and authorize the Executive Director to execute and if necessary terminate a Contract in the amount of \$287,600 with Carde Ten Architects to provide architectural services and prepare construction documents for the Electrical Meter Conversion project at the Nueva Maravilla housing development, using \$287,600 in CFRC funds allocated by HUD for this purpose, and following approval as to form by County Counsel.
3. Recommend that the Board of Commissioners authorize the Executive Director to execute amendments to the Contract, following approval as to form by County Counsel, to extend the time of performance for an additional year if needed, without increasing the total amount of compensation.
4. Recommend that the Board of Commissioners authorize the Executive Director to approve Contract change orders not exceeding \$28,760 for unforeseen project costs using the same source of funds and following approval as to form by County Counsel.
5. Recommend that the Board of Commissioners authorize the Executive Director to incorporate \$316,360 in CFRC funds into the Housing Authority's approved Fiscal Year 2009-10 budget for the purposes described above.
6. Recommend that the Board of Commissioners find that approval of the Contract is not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the action is not defined as a project under CEQA.

**Agenda Item No. 8 – Housing Commissioner Comments and Recommendations for Future Agenda Items**

Commissioner Porter referenced the ARRA report and inquired on the status of the JJCPA funds. Maria Badrakhan stated that the Department of Probation provides the funding for the JJCPA and it is not affected by the ARRA grant. Mr. Rogan added that ARRA funds are one-time stimulus grants, awarded based on a competitive process.

Commissioner Porter commented that the 90-Day Notices to Vacate units at Ujima Village are long overdue. He also inquired about the status of the Legal Aid Foundation's request for information and who is paying for the requested copies. Mr. Rogan confirmed that Legal Aid Foundation is being charged for these costs. Mr. Rogan added that the 600 claims were filed by another law firm alleging wrongful death and injury. Legal Aid Foundation represented a number of the tenants seeking relocation benefits. The Housing Authority is not aware of the reason for Legal Aid Foundation's public records request, however, we have complied.

Commissioner Martinez requested an update on the Tenant Commissioner interviews. Maria Badrakhan stated that two candidates were recommended to the Board for appointment. One is a formerly homeless Section 8 Program participant and the other is a Section 8 Program participant. A third candidate is still going through the screening process. Interviews for the 4<sup>th</sup> District representative have been conducted, however, a candidate has not been selected.

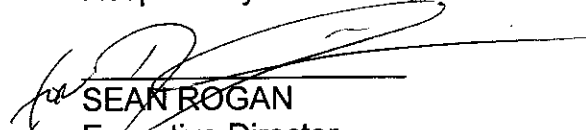
Commissioner Gabriel requested clarification on the term "formerly homeless" Section 8 tenant. Mr. Jenkins responded that these individuals receive assistance through the Housing Authority's homeless set-aside program.

Commissioner Gabriel asked whether the Housing Authority anticipated not receiving assistance for the demolition of Ujima Village. Mr. Rogan stated that requests for assistance for expended costs, demolition costs, and future costs have been submitted to HUD, and a response is pending.

Commissioner Gabriel expressed thanks for the holiday lunch and wished everyone a Happy Thanksgiving.

On Motion by Commissioner Porter the Regular Meeting of October 28, 2009, was adjourned at 2:12 in memory of Chuck Bookhammer.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Sean Rogan", is written over a horizontal line.

SEAN ROGAN  
Executive Director  
Secretary –Treasurer



**FOR YOUR INFORMATION**

FOR YOUR INFORMATION ONLY

## HOUSING AUTHORITY COUNTY OF LOS ANGELES - CONVENTIONAL AND NON-CONVENTIONAL HOUSING

GROUP NO.	SITE	ADDRESS	NO. OF UNITS	HUD DEV. NO.	PROJECT NUMBER	Year Built	Year Acquired
1	Carmelitos (family)	700 Via Wanda, Long Beach 90805	558	CA16P002001	SS1102	1939	1939
1	Carmelitos (senior)	761 Via Carmelitos, Long Beach 90805	155	CA16P002026	SS1102	1939	1939
	<b>Total Unit Count: Carmelitos</b>		<b>713</b>				
2	Harbor Hills (family/senior)	26607 S. Western Ave., Lomita 90717	301	CA16P002002	SS1203	1941	1941
	<b>Total Unit Count: Harbor Hills</b>		<b>301</b>				
3	Nueva Maravilla (family/senior)	4919 E. Cesar E. Chavez Ave., Los Angeles 90022	504	CA16P002004	SS1301	1943	1942
	<b>Total Unit Count: N. Maravilla</b>		<b>504</b>				
4	West Knoll (senior)	838 West Knoll Ave., West Hollywood 90069	136	CA16P002014	SS3001	1977	1979
4	Palm Apartments (senior)	959 Palm Ave., West Hollywood 90069	127	CA16P002014	SS3002	1978	1979
	<b>Total Unit Count: West County 1</b>		<b>263</b>		<b>Admin Project XX0930</b>		
5	Marina Manor I (senior)	3401 Via Dolce, Marina Del Rey 90292	112	CA16P002013	SS3003	1983	1984
5	Marina Manor II (senior)	3405 Via Dolce, Marina Del Rey 90292	71	CA16P002027	SS3003	1983	1984
5	Ocean Park (family/senior)	175 Ocean Park Boulevard, Santa Monica 90405	22	CA16P002018	SS3006	1947	1986
5	Monica Manor (family)	1901-1909 11th Street, Santa Monica 90405	19	CA16P002097	SS3007	1987	1989
	<b>Total Unit Count: West County 2</b>		<b>224</b>		<b>Admin Project XX0934</b>		
6	Orchard Arms (senior)	23410-23540 Wiley Canyon Rd., Valencia 91355	183	CA16P002030	SS2001	1980	1980
6	Foothill Villa (senior)	2423 Foothill Boulevard, La Crescenta 91214	62	CA16P002029	SS2002	1981	1982
6	Quartz Hill I (family)	5028 West Avenue L-12, Quartz Hill 93536	20	CA16P002062	SS2003	1984	1984
6	Quartz Hill II (family)	42051 51th Street West, Quartz Hill 93536	20	CA16P002069	SS2003	1984	1984
	<b>Total Unit Count: North County</b>		<b>285</b>		<b>Admin Project XX0920</b>		
7	Francisquito Villa (family)	14622 Francisquito Ave., La Puente 91746	89	CA16P002015	SS4002	1979	1980
7	Carmelita Avenue (senior)	354-354 So. Carmelita Ave., Los Angeles, 90063	2	CA16P002091	SS4003	1955	1985
7	McBride Avenue (family)	1229 So. McBride Ave., Los Angeles, 90023	4	CA16P002021	SS4004	1968	1984
7	Williamson Avenue (family)	706-708 1/2 So. Williamson Ave., Los Angeles, 90022	4	CA16P002020	SS4005	1972	1983
7	Triggs Street (family/senior)	4432-4434 1/2 Triggs St., Los Angeles 90023	4	CA16P002097	SS4006	1964	1983
7	Simmons Avenue (family)	927 So. Simmons Ave., Los Angeles, 90022	4	CA16P002021	SS4007	1939	1983
7	4th & Madnick (family)	341 So. Madnick Ave., Los Angeles, 90022	2	CA16P002034	SS4008	1985	1985
7	Arizona & Olympic (family)	1003-1135 So. Arizona Ave., Los Angeles 90022	18	CA16P002048	SS4010	1984	1985
7	Whittier Manor (senior)	11527 Slauson Ave., Whittier 90605	49	CA16P002033	SS4011	1985	1982
7	Herbert Ave (senior)	133 Herbert Ave., Los Angeles 90063	46	CA16P002058	SS4012	1985	1984
7	Sundance Vista (family)	10850 Laurel Ave., Whittier 90605	41	CA16P002156	SS4014	1999	1999
	<b>Total Unit Count: East County</b>		<b>263</b>		<b>Admin Project XX0940</b>		
8	El Segundo I (family)	1928/3749 E. El Segundo Blvd., Compton 90222	30	CA16P002023	SS5001	1972	1982
8	South Bay Gardens (seniors)	230 E. 130th St., Los Angeles 90061	100	CA16P002032	SS5002	1982	1983
8	1115-16 W. 90th St. (family)	1115-16 W. 90th St., Los Angeles 90044	18	CA16P002091	SS5005	1870	1984
8	El Segundo II (2140) (family)	2140-2144 1/2 E. El Segundo Blvd., Compton 90222	13	CA16P002052	SS5015	1982	1985
8	El Segundo II (2141) (family)	2141-2145 E. El Segundo Blvd., Compton 90222	5	CA16P002061	SS5015	1985	1985
8	9104-18 S. Bandera St. (family)	9104-18 S. Bandera St., Los Angeles, 90002	6	CA16P002080	SS5016	1983	1983
8	1635 E. 83rd Street (family)	1635 E. 83rd St., Los Angeles 90002	2	CA16P002080	SS5017	1985	1985
8	1615-17 E. 87th Street (family)	1615-17 E. 87th St., Los Angeles 90002	4	CA16P002067	SS5018	1982	1985
8	8739 Beach St. (88th & Beach) (family)	8739 Beach St., Los Angeles 90002	4	CA16P002056	SS5019	1982	1985
8	4212-20 E. Addington Street (family)	4212-20 E. Addington St., Compton 90221	3	CA16P002071	SS5020	1982	1984
8	W. Imperial (family)	1221 & 1309 E. Imperial Hwy., Los Angeles 90044	9	CA16P002132	SS5026	1991	1992
8	Athens (family)	1120 W. 107th St., 1310 W. 110th St., & 11104 S. Normandie Ave., Los Angeles 90044	10	CA16P002127	SS5027	1988	1998
8	1527 E. 84th (family)	1527 E. 84th St., Los Angeles 90001	4	CA16P002107	SS5029	1998	1998
8	Jarvis Avenue (family)	12920 Jarvis Ave., Los Angeles 90061	1	CA16P002107	SS5030	1997	1997
8	Woodcrest I (family)	1239 W. 109th St., Los Angeles 90044	10	CA16P002066	SS5003	1983	1984
8	Woodcrest II (family)	1245 W. 109th St., Los Angeles 90044	10	CA16P002060	SS5003	1983	1984
8	1101-09 W. 91st (family)	1101-09 W. 91st St., Los Angeles 90044	16	CA16P002021	SS5006	1965	1983
8	1232-34 E. 119th (family)	1232-34 E. 119th St., Los Angeles 90059	2	CA16P002021	SS5007	1955	1986
8	1231-33 E. 61st (family)	1231-33 E. 61st St., Los Angeles 90001	6	CA16P002021	SS5008	1961	1983
8	1100 W. 106th Street (family)	1100 W. 106th St., Los Angeles 90044	10	CA16P002021	SS5009	1970	1984
8	1104 W. 106th Street (family)	1104 W. 106th St., Los Angeles 90044	10	CA16P002020	SS5009	1970	1984
8	1320 W. 107th (family)	1320 W. 107th St., Los Angeles 90044	18	CA16P002021	SS5010	1970	1984
8	11431-463 S. Normandie (family)	11431-463 S. Normandie Ave., Los Angeles 90047	28	CA16P002020	SS5011	1970	1984
8	1027-33 W. 90th (family)	1027-33 W. 90th St., Los Angeles 90044	6	CA16P002078	SS5014	1983	1986
8	W. 106th Street & Budlong (family)	1334-38 W. 106th St., 9410 & 11126 Budlong Ave., Los Angeles 90044	11	CA16P002079	SS5021	1983	1985
8	W. 94th & 95th Street (family)	1035-37 1/2 W. 94th St. & 1324 W. 95th St., Los Angeles 90044	8	CA16P002060	SS5022	1983	1985
8	W. 105th & 106th (family)	1336-40 W. 105th St. & 1057 W. 106th St., Los Angeles 90044	13	CA16P002124	SS5024	1991	1991
8	Century Wilton (family)	10025 Wilton Place, Los Angeles 90047	40	CA16P002020	SS5025	1965	1984
8	11248 S. Budlong (family)	11248 S. Budlong, Los Angeles 90044	5	CA16P002138	SS5028	1991	1996
8	11117 & 11119 Firmona Ave., Lennox 90304	11117 & 11119 Firmona Ave., Lennox 90304	2	Pending	SS5031	1967	2008
8	Linsley	4621 & 4625 Linsley St., Compton 90221	2	CA16P002157	SS5032	1967	2008
	<b>Total Unit Count: South County</b>		<b>469</b>		<b>Admin Project XX0950</b>		

**Total Housing Authority-Owned - Conventional**

2,962

<b>City of Lomita - Conventional</b>	Lomita Manor (senior)	24925 Walnut St., Lomita 90717	75		SS1264	1985	1985
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**Non-Conventional Housing**

Kings Road JPA (senior)	800-801 N. Kings Road., West Hollywood 90069	105	122-94014	UU0001		1980	1980
Lancaster Homes (senior)	711-737 W. Jackson St., Lancaster 93534	120	122-94013	UU0002		1978	1979
Santa Monica RHCP (family)	1855 9th St., 1450 14th St., & 2006 20th St., Santa Monica 90405	41	80-RHC-008	SS3005		1983	1984
Villa Nueva RHCP (family)	958-676 S. Ferris Ave., Los Angeles 90022	21	80-RHC-008B	SS4013		1985	1985
Willowbrook (family)	11718-11740 Willowbrook Ave., Los Angeles 90044	8	CA16-M000-385	SS6001		1975	1990
Ujima Village (family/senior)	941 E. 126th St., Los Angeles 90059	300	CA16-E000-028	SS8001		1971	1995

**Total Number of Units- Non Conventional**

596

**Total Number of Units- HM**

3,636

**Modernization Construction Activity to be completed  
in FY 2008-09**

**FOR YOUR INFORMATION ONLY**

- 1 106th Street- Fire damage & rehab
- 2 1101-1104 W. 106th Street - Drainage project
- 3 Arizona & Olympic/-Smoke Detectors
- 4 Carmelitos - Replace interior stair treads
- 5 Carmelitos Senior - Hallway painting and repairing stairs
- 6 Carmelitos Senior - Replace carpet
- 7 Carmelitos-Replace Gas Lines Phase IV
- 8 Foothill Villa - Replace flooring
- 9 Francisquito-Replace carpet
- 10 Francisquito-Replace smoke detectors/exit signs
- 11 Francisquito-Replace windows and blinds
- 12 Harbor Hills - Remodel kitchens Phase I
- 13 Herbert-Fire Alarm
- 14 Herbert-Replace carpet
- 15 Linsley and Firmona - General rehab.
- 16 Marina Manor I & II - Replace elevators
- 17 Marina Manor- Install awnings
- 18 Marina Manor-Replace smoke detectors & exit signs
- 19 McBride-Paint Building exterior
- 20 Ocean Park-Termite Abatement
- 21 Palm-Replace smoke detectors
- 22 Palm-Upgrade Elevator
- 23 Quartz Hill-Replace air conditioners
- 24 Scattered Sites - Replace gates at 13 sites
- 25 South Bay Gardens-Replace Elevator
- 26 SSS-CCTV at 4 sites
- 27 Sundance Vista - Install irrigation and replace rear yard fencing
- 28 Westknoll-Replace smoke detectors
- 29 Whittier Manor - Replace stair treads
- 30 Whittier Manor-Entry Door Replacement

**30 Construction Contracts at 33 Housing Developments**

**Modernization Construction Activity anticipated to be completed  
in FY 2009-10**

- 1 Carmelitos- Parking Lots
- 2 Carmelitos Senior-ADA Kitchen remodels/smoke detectors
- 3 Carmelitos-Raised Garden Beds
- 4 Carmelitos-Resurface Playground
- 5 Foothill Villa-Elevator Upgrade
- 6 Foothill Villa-Replace smoke detectors
- 7 Francisquito Villa - Upgrade elevators
- 8 Harbor Hills - Remodel kitchens Phase II & III
- 9 Harbor Hills-Parking Lots
- 10 Harbor Hills-Resurface Playground
- 11 Herbert - Upgrade elevator
- 12 Lomita Manor-Elevator Upgrade
- 13 Lomita Manor-Replace boilers/trash chutes
- 14 Lomita Manor-Replace roof
- 15 Maravilla (Rosas)- Build Bridges to connect buildings
- 16 Maravilla (Rosas)-Upgrade Elevator
- 17 Maravilla- Parking Lots
- 18 Marina Manor I & II - Replace security gates
- 19 Ocean Park - Replace wall heaters
- 20 Ocean Park-Remodel kitchens/bathrooms
- 21 Ocean Park-Repair Stucco
- 22 Orchard Arms- Replace boilers/copper piping
- 23 Orchard Arms- Smoke detectors
- 24 Orchard Arms-Elevator Upgrade
- 25 Orchard Arms-Repave driveway
- 26 Quartz Hill-Replace water valves
- 27 SSS-Vacant Unit Rehab at 4 sites
- 28 Whittier Manor- Smoke detectors
- 29 Whittier Manor-Elevator Upgrade
- 30 Woodcrest-Replace Roof

**Anticipating 30 Construction Contracts at 24 Housing Developments**

**Housing Authority - County of Los Angeles**

December 16, 2009

FOR YOUR INFORMATION ONLY

To: Los Angeles County Housing Commission  
From: Bobbette A. Glover, Assistant Executive Director

**SUBJECT: UJIMA VILLAGE STATUS REPORT**

The following is an update on the most recent events regarding the closure of Ujima Village Housing Development.

Occupancy

One tenant relocated since our last report, with five households remaining on the property. On December 9<sup>th</sup>, we prevailed in court on an unlawful detainer action against one tenant. If the tenant does not vacate the unit by January 15, 2010 as agreed, we will schedule a lock-out. Another tenant has given December 15, 2009 as her move-out date.

Item #8 on today's agenda asks you to recommend to the Board of Commissioners authority to evict tenants who do not relocate, as required in the 90-day notices served on October 2, 2009. With your approval, this recommendation will appear on the Board's January 12, 2010 agenda. We will initiate the eviction process shortly thereafter.

HUD Meeting Follow-up

We are still awaiting HUD's written response to our request for reimbursement of operating expenses. We are hopeful of receiving their response by year's end.

Claims

Additional claims were filed for personal injuries and wrongful death (Attachment 1, 2). To date the number has reached 697. Staff is trying to verify that each claimant is a former Ujima Village resident.

County Counsel responded by forwarding the attached Notice of Insufficiency to the plaintiffs' counsel (Attachment 3). No response has been received to date.

California Public Records Act Request

The claimants' attorney recently submitted the attached three letters. (Attachments 4-6)

This matter will be discussed at your December 16<sup>th</sup> meeting.

BG:lm

Attachments

# CLAIM FOR DAMAGES TO PERSON OR PROPERTY

09,3686

FILED

COUNTY OF LOS ANGELES

**INSTRUCTIONS:**

1. Read claim thoroughly.
2. Fill out claim as indicated; attach additional information if necessary.
3. Please return this original signed claim and any attachments supporting your claim. This form must be signed.

DELIVER OR U.S. MAIL TO:

EXECUTIVE OFFICER, BOARD OF SUPERVISORS, ATTENTION: CLAIMS  
500 WEST TEMPLE STREET, ROOM 383, KENNETH HAHN HALL OF  
ADMINISTRATION, LOS ANGELES, CA 90012

2009 OCT 20 AM 10:32

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELESTIME STAMP  
OFFICE USE ONLY

(213) 974-1440

1. <input type="checkbox"/> Mr. <input type="checkbox"/> Ms. <input type="checkbox"/> Mrs. LAST NAME Haynes		FIRST NAME Barbara	10. WHY DO YOU CLAIM COUNTY IS RESPONSIBLE? See Attached.	
2. ADDRESS OF CLAIMANT/ ATTORNEY Anderson Kill Wood & Bender				
Street 864 East Santa Clara Street		City, State Ventura, California	Zip Code 93001	
HOME TELEPHONE: ( )		BUSINESS TELEPHONE: (805) 288-1300		
3. CLAIMANT'S BIRTHDATE: 12/1/1951		4. CLAIMANT'S SOCIAL SECURITY NUMBER 556-88-5608		11. NAMES OF ANY COUNTY EMPLOYEES (AND THEIR DEPARTMENTS) INVOLVED IN INJURY OR DAMAGE (IF APPLICABLE):
5. DATE AND TIME OF INCIDENT 1970 to present		NAME See Attached.		DEPT. 
		NAME 		DEPT. 
6. WHERE DID DAMAGE OR INJURY OCCUR? 941 East 126th Street Los Angeles, California		Zip Code 90059		12. WITNESSES TO DAMAGE OR INJURY: LIST ALL PERSONS AND ADDRESSES OF PERSONS KNOWN TO HAVE INFORMATION:
Street 		City, State 		Zip Code 
7. DESCRIBE IN DETAIL HOW DAMAGE OR INJURY OCCURRED: See Attached.		NAME See Attached.		
		ADDRESS 		
		NAME 		
		PHONE 		
		ADDRESS 		
		NAME 		
		PHONE 		
8. WERE POLICE OR PARAMEDICS CALLED? YES <input type="checkbox"/> NO <input type="checkbox"/>		13. LIST DAMAGES INCURRED TO DATE (and attach copies of receipts or repair estimate): At the present time, the extent of the personal injury and money damages is still being determined. This action will be filed as an unlimited civil case.		
9. IF PHYSICIAN WAS VISITED DUE TO INJURY, INCLUDE DATE OF FIRST VISIT AND PHYSICIAN'S NAME, ADDRESS AND PHONE NUMBER:		TOTAL DAMAGES TO DATE:		
DATE OF FIRST VISIT 		PHYSICIAN'S NAME See Attached.		TOTAL ESTIMATED PROSPECTIVE DAMAGES:
PHYSICIAN'S ADDRESS 		PHONE ( )		\$ TBD

**THIS CLAIM MUST BE SIGNED****NOTE: PRESENTATION OF A FALSE CLAIM IS A FELONY (PENAL CODE SECTION 72)****WARNING**

- CLAIMS FOR DEATH, INJURY TO PERSON OR TO PERSONAL PROPERTY MUST BE FILED NOT LATER THAN 6 MONTHS AFTER THE OCCURRENCE. (GOVERNMENT CODE SECTION 911.2)
- ALL OTHER CLAIMS FOR DAMAGES MUST BE FILED NOT LATER THAN ONE YEAR AFTER THE OCCURRENCE. (GOVERNMENT CODE SECTION 911.2)
- SUBJECT TO CERTAIN EXCEPTIONS, YOU HAVE ONLY SIX (6) MONTHS FROM THE DATE OF THE WRITTEN NOTICE OF REJECTION OF YOUR CLAIM TO FILE A COURT ACTION. (GOVERNMENT CODE SECTION 945.6)
- IF WRITTEN NOTICE OF REJECTION OF YOUR CLAIM IS NOT GIVEN, YOU HAVE TWO (2) YEARS FROM ACCRUAL OF THE CAUSE OF ACTION TO FILE A COURT ACTION. (GOVERNMENT CODE SECTION 945.6)

14. PRINT OR TYPE NAME Jeff Coyner, Attorney	DATE 10/15/09	15. SIGNATURE OF CLAIMANT OR PERSON FILING ON HIS/HER BEHALF GIVING RELATIONSHIP TO CLAIMANT: 
---	------------------	--

REVISED 4/06

7. DESCRIBE IN DETAIL HOW DAMAGE OR INJURY OCCURRED:

This claim involves personal injuries, and monetary damages incurred by claimant as a result of living at the Ujima Village Apartments ("Ujima"). Ujima is an approximately 300 unit complex located in the unincorporated area of Willowbrook within the County of Los Angeles.

Claimants are informed and believe and therefore allege that the complex is owned and operated jointly by the County of Los Angeles and the Housing Commission of Los Angeles County (collectively, "The County").

The County has maintained the complex and claimant's unit in an uninhabitable and hazardous condition. The uninhabitable and hazardous conditions include but are not limited to contamination of the Ujima complex with toxic and carcinogenic substances. Despite the County's knowledge of these uninhabitable and hazardous conditions, the County intentionally and/or negligently misrepresented the conditions of the complex to the residents of Ujima. Claimant, as a resident, relied on these misrepresentations and continued living at the complex and paying rent.

The hazardous conditions have caused personal injuries among the residents, including claimant. Additionally, these conditions and misrepresentations have caused emotional distress and other economic injuries. Claimant discovered the misrepresentations of the County and the true hazardous conditions of the complex in or after May of 2009.

Barbara Haynes

9. IF PHYSICIAN WAS VISITED DUE TO INJURY, INCLUDE DATE OF FIRST VISIT AND PHYSICIAN'S NAME, ADDRESS AND PHONE NUMBER:

Dr. Nukit Crystal; (310) 645-0444

Ricardo E. McKenzie, 3680 Imperial, Suite 470, Lynwood, CA 90262

#### 10. WHY DO YOU CLAIM COUNTY IS RESPONSIBLE?

The County has maintained the complex and claimant's unit in an uninhabitable and hazardous condition. The uninhabitable and hazardous conditions include contamination of the Ujima complex with toxic and carcinogenic substances. Despite the County's knowledge of these uninhabitable and hazardous conditions, the County intentionally and/or negligently misrepresented the conditions of the complex to the residents of Ujima. Claimant relied on these misrepresentations and continued living at the complex and paying rent.

The hazardous conditions have caused personal injuries among the residents of Ujima including claimant. Additionally, these conditions and misrepresentations have caused emotional distress, civil rights violations, violation of statutes, contractual damages and other economic injuries.



11. NAMES OF ANY COUNTY EMPLOYEES (AND THEIR DEPARTMENTS)  
INVOLVED IN INJURY OR DAMAGE (IF APPLICABLE):

The current and former Board of Directors of the County of Los Angeles.

The Current and former Board of Directors of the Housing Commission of the County of Los Angeles.

Georgina Tamayo of the Community Development Housing Development and Preservation Division.

DeAnn Johnson of the Community Development Commission, Construction Management Division.

Mike McConnell, of the Community Development Commission, Construction Management Division.

Gary Hall of the Community Development Commission, Construction Management Division.

The names and positions of other responsible employees are being investigated at this time.

12. WITNESSES TO DAMAGE OR INJURY: LIST OF ALL PERSONS AND ADDRESSES OF PERSONS KNOWN TO HAVE INFORMATION:

Claimant identifies all of the individuals identified in the documents provided to the Los Angeles Regional Water Quality Control Board (RWQCB) by the County of Los Angeles and/or Housing Commission of Los Angeles in response to the RWQCB's investigation of the environmental contamination of Ujima Village. This includes, but is not limited to, the individuals identified in the reports and correspondence by the following:

- Rincon Environmental
- R.T. Franklan & Associates
- Diagnostic Engineering, Inc.
- The Department of Housing and Urban Development (HUD)
- ATC Associates
- CA Regional Water Quality Control Board
- SCS Engineers
- LeRoy Crandall & Associates
- The California EPA/ Department of Toxic Substances Control
- GA Nicoll and Associates
- ATC Associates
- SCS Engineers
- TRC
- Alpha Property Management
- Alpha Scientific Corp
- Kleinfelder West, Inc.
- Park Water Company

COUNTY OF LOS ANGELES

# CLAIM FOR DAMAGES TO PERSON OR PROPERTY

09:3688  
FILED**INSTRUCTIONS:**

1. Read claim thoroughly.
2. Fill out claim as indicated; attach additional information if necessary.
3. Please return this original signed claim and any attachments supporting your claim. This form must be signed.

DELIVER OR U.S. MAIL TO:  
EXECUTIVE OFFICER, BOARD OF SUPERVISORS, ATTENTION: CLAIMS  
500 WEST TEMPLE STREET, ROOM 383, KENNETH HAHN HALL OF  
ADMINISTRATION, LOS ANGELES, CA 90012

(213) 974-1440

TIME STAMP  
OFFICE USE ONLY

1. Mr. <input type="checkbox"/> Ms. <input type="checkbox"/> Mrs. <input type="checkbox"/> LAST NAME McClendon		FIRST NAME Eddie	10. WHY DO YOU CLAIM COUNTY IS RESPONSIBLE? See Attached.	
2. ADDRESS OF CLAIMANT/ ATTORNEY Anderson Kill Wood & Bender				
Street 864 East Santa Clara Street		City, State Ventura, California	Zip Code 93001	
HOME TELEPHONE: ( )		BUSINESS TELEPHONE: (805) 288-1300		
3. CLAIMANT'S BIRTHDATE:		4. CLAIMANT'S SOCIAL SECURITY NUMBER		11. NAMES OF ANY COUNTY EMPLOYEES (AND THEIR DEPARTMENTS) INVOLVED IN INJURY OR DAMAGE (IF APPLICABLE):
5. DATE AND TIME OF INCIDENT 1970 to present		NAME See Attached.		DEPT.
		NAME		DEPT.
6. WHERE DID DAMAGE OR INJURY OCCUR? 941 East 126th Street Los Angeles, California 90059		12. WITNESSES TO DAMAGE OR INJURY: LIST ALL PERSONS AND ADDRESSES OF PERSONS KNOWN TO HAVE INFORMATION:		
Street City, State Zip Code		NAME See Attached.		PHONE
7. DESCRIBE IN DETAIL HOW DAMAGE OR INJURY OCCURRED: The death of Martin Smith ("Deceased"), see attached.		ADDRESS		
		NAME PHONE		
		ADDRESS		
		NAME PHONE		
8. WERE POLICE OR PARAMEDICS CALLED? YES <input type="checkbox"/> NO <input type="checkbox"/>		13. LIST DAMAGES INCURRED TO DATE (and attach copies of receipts or repair estimate): At the present time, the extent of the personal injury and money damages is still being determined. This action will be filed as an unlimited civil case.		
9. IF PHYSICIAN WAS VISITED DUE TO INJURY, INCLUDE DATE OF FIRST VISIT AND PHYSICIAN'S NAME, ADDRESS AND PHONE NUMBER.		TOTAL DAMAGES TO DATE: TOTAL ESTIMATED PROSPECTIVE DAMAGES:		
DATE OF FIRST VISIT PHYSICIAN'S NAME		\$ TBD \$ TBD		
PHYSICIAN'S ADDRESS PHONE ( )				

**THIS CLAIM MUST BE SIGNED****NOTE: PRESENTATION OF A FALSE CLAIM IS A FELONY (PENAL CODE SECTION 72)****WARNING**

- CLAIMS FOR DEATH, INJURY TO PERSON OR TO PERSONAL PROPERTY MUST BE FILED NOT LATER THAN 6 MONTHS AFTER THE OCCURRENCE. (GOVERNMENT CODE SECTION 911.2)
- ALL OTHER CLAIMS FOR DAMAGES MUST BE FILED NOT LATER THAN ONE YEAR AFTER THE OCCURRENCE. (GOVERNMENT CODE SECTION 911.2)
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- IF WRITTEN NOTICE OF REJECTION OF YOUR CLAIM IS NOT GIVEN, YOU HAVE TWO (2) YEARS FROM ACCRUAL OF THE CAUSE OF ACTION TO FILE A COURT ACTION. (GOVERNMENT CODE SECTION 945.6)

14. PRINT OR TYPE NAME Jeff Coyner, Attorney	DATE 10/15/2009	15. SIGNATURE OF CLAIMANT OR PERSON FILING ON HIS/HER BEHALF GIVING RELATIONSHIP TO CLAIMANT:
---	--------------------	--

REVISED 4/06

7. DESCRIBE IN DETAIL HOW DAMAGE OR INJURY OCCURRED:

This claim involves damages incurred by claimant as a result of a death at the Ujima Village Apartments ("Ujima"). Ujima is an approximately 300 unit complex located in the unincorporated area of Willowbrook within the County of Los Angeles.

Claimants are informed and believe and therefore allege that the complex is owned and operated jointly by the County of Los Angeles and the Housing Commission of Los Angeles County (collectively "The County").

The County has maintained the complex and the deceased's unit in an uninhabitable and hazardous condition. The uninhabitable and hazardous conditions include but are not limited to contamination of the Ujima complex with toxic and carcinogenic substances. Despite the County's knowledge of these uninhabitable and hazardous conditions, the County intentionally and/or negligently misrepresented the conditions of the complex to deceased. The deceased as a resident relied on these misrepresentations and continued living at the complex and paying rent.

The hazardous conditions have caused the death of the deceased. This has caused emotional distress and other economic injuries for claimant who is a beneficiary of the estate of the deceased. Claimant discovered the misrepresentations of the County, the true hazardous conditions of the complex and the connection between the death of the deceased and those conditions in or after May of 2009.

#### 10. WHY DO YOU CLAIM COUNTY IS RESPONSIBLE?

The County has maintained the complex and the deceased's unit in an uninhabitable and hazardous condition. The uninhabitable and hazardous conditions include but are not limited to contamination of the Ujima complex with toxic and carcinogenic substances. Despite the County's knowledge of these uninhabitable and hazardous conditions, the County intentionally and/or negligently misrepresented the conditions of the complex to deceased. The deceased as a resident relied on these misrepresentations and continued living at the complex and paying rent.

The hazardous conditions have caused the death of the deceased. This has caused emotional distress and other economic injuries for claimant who is a beneficiary of the estate of the deceased.

11. NAMES OF ANY COUNTY EMPLOYEES (AND THEIR DEPARTMENTS)  
INVOLVED IN INJURY OR DAMAGE (IF APPLICABLE):

The current and former Board of Directors of the County of Los Angeles.

The Current and former Board of Directors of the Housing Commission of the County of Los Angeles.

Georgina Tamayo of the Community Development Housing Development and Preservation Division.

DeAnn Johnson of the Community Development Commission, Construction Management Division.

Mike McConnell, of the Community Development Commission, Construction Management Division.

Gary Hall of the Community Development Commission, Construction Management Division.

The names and positions of other responsible employees are being investigated at this time.

12. WITNESSES TO DAMAGE OR INJURY: LIST OF ALL PERSONS AND ADDRESSES OF PERSONS KNOWN TO HAVE INFORMATION:

Claimant Identifies all of the individuals identified in the documents provided to the Los Angeles Regional Water Quality Control Board (RWQCB) by the County of Los Angeles and/or Housing Commission of Los Angeles in response to the RWQCB's investigation of the environmental contamination of Ujima Village. This includes but is not limited to the individuals identified in the reports and correspondence by:

Rincon Environmental  
R.T. Franklan & Associates  
Diagnostic Engineering, Inc.  
The Department of Housing and Urban Development (HUD)  
ATC Associates  
CA Regional Water Quality Control Board  
SCS Engineers  
LeRoy Crandall & Associates  
The California EPA/ Department of Toxic Substances Control  
GA Nicoll and Associates  
ATC Associates  
SCS Engineers  
TRC  
Alpha Property Management  
Alpha Scientific Corp  
Kleinfelder West, Inc.  
Park Water Company

CEHRIADMAIL™



7008 1630 0004 6379 8859

**RETURN RECEIPT  
REQUESTED**



UNITED STATES POSTAGE  
02 1P \$006.490  
0003803212 OCT 45 2009  
MAILED FROM ZIP CODE 93001

ANDERSON KILL WOOD & BENDER, LLP  
864 E. SANTA CLARA ST.  
VENTURA, CA 93001

EXECUTIVE OFFICER  
BOARD OF SUPERVISORS  
ATTENTION: CLAIMS  
500 West Temple Street, Room 383  
Kenneth Hahn Hall of Administration  
Los Angeles, CA 90012





COUNTY OF LOS ANGELES  
OFFICE OF THE COUNTY COUNSEL

648 KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET  
LOS ANGELES, CALIFORNIA 90012-2713

ROBERT E. KALUNIAN  
Acting County Counsel

November 3, 2009

TELEPHONE  
(213) 974-1913  
FACSIMILE  
(213) 687-8822  
TDD  
(213) 633-0901

Jeff Coyner, Esq.  
Anderson Kill Wood & Bender, LLP  
864 East Santa Clara Street  
Ventura, California 93001

Re:	Claim(s) Filed:	October 14, 2009, October 15, 2009, and October 23, 2009 (see attached spreadsheet for specific dates)
	Your client(s)	See attached spreadsheet
	File Number(s):	See attached spreadsheet

Dear Mr. Coyner:

**NOTICE OF INSUFFICIENCY**

Your claims do not meet the sufficiency requirements of Government Code section 910.8. They are insufficient for the following reasons:

1. The claims do not specify a clear date of accrual, nor explain the circumstances of delayed discovery, if applicable.
2. The claims do not specify in detail how the alleged damage or injury occurred.
3. The claims do not specify which employee was involved in the alleged damage or injury.
4. The claims are insufficient in that they are overbroad and vague.
5. The claims are insufficient in that they do not provide facts which support the conclusion that certain public entities and/or employees are responsible for the alleged damages or injuries.

Jeff Coyner, Esq.  
November 3, 2009  
Page 2

6. The claims are insufficient in that they do not clearly specify the alleged injuries nor monetary damages.
7. The claims are insufficient in that they do not specify the statute(s) or contract(s) which are alleged to have been violated or breached.

Without this information it is impossible to properly investigate your claims. We will wait **15 days** from the date of this notice before taking further action on this claim.

For your information, consult Sections 910, 910.2, 910.4, 910.8, and other sections of the Government Code pertaining to the filing of claims against a public entity. If you wish to file an amended claim correcting these deficiencies, you should do so immediately.

Please re-submit your claim directly to:

**Executive Office of the Board  
Room 383 - Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012**

Very truly yours,

ROBERT E. KALUNIAN  
Acting County Counsel

By



BRIAN T. CHU  
Principal Deputy County Counsel  
General Litigation Division

BTC:mn

**DECLARATION FOR SERVICE BY MAIL**

STATE OF CALIFORNIA  
County of Los Angeles

I am and at all times herein mentioned have been a citizen of the United States and resident of the County of Los Angeles, over the age of eighteen years and not a party to nor interested in the within action; that my business address is 648 Kenneth Hahn Hall of Administration, City of Los Angeles, County of Los Angeles, State of California 90012.

That on the 3rd day of November 2009, I served the attached "Notice of Insufficiency" of claim upon claimant by depositing a copy thereof, enclosed in a sealed envelope with postage thereon fully prepaid, in a United States mail box in Los Angeles, California addressed as follows:

Jeff Coyner, Esq.  
Anderson Kill Wood & Bender, LLP  
864 East Santa Clara Street  
Ventura, California 93001

and that the person on whom said service was made has/resides his/her office at a place where there is a regular communication by mail between the place of mailing and the place so addressed.

I declare under penalty of perjury that the foregoing is true and correct.  
Executed on this 3rd day of November 2009 at Los Angeles, California.

  
\_\_\_\_\_  
Signature

## ANDERSON KILL WOOD & BENDER, P.C.

*Settle for Everything. ®*

864 E. SANTA CLARA ST. ■ VENTURA, CA 93001  
TELEPHONE: 805-288-1300 ■ FAX: 805-288-1301  
www.andersonkill.com

Jeff Coyner, Esq.  
jcoyner@andersonkill.com  
(805) 288-1300

Via U.S. Mail

November 25, 2009

Brian T. Chu, Esq.  
Principal Deputy County Counsel  
General Litigation Division  
County of Los Angeles  
Office of the County Counsel  
648 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012-2713

Re: Ujima Village Matter

Dear Mr. Chu:

As you are aware, my clients are currently in a dispute with the County of Los Angeles and the dispute may lead to litigation, although it is my sincere hope we can resolve the dispute amicably. Because litigation is possible, the County of Los Angeles has an obligation to preserve potentially relevant evidence related to the dispute.

In anticipation of the discovery that will be conducted in this matter, demand is hereby made that you and the employees of the County of Los Angeles preserve all of its records, electronic, paper materials or otherwise, that relate in any way to my clients, Ujima Village, or Earvin "Magic" Johnson Park. Pursuant to this demand, and pursuant to California Code of Civil Procedure, please instruct your employees to immediately suspend any routine deletion practices that would result in the loss of any such records or other relevant data.

Thank you in advance for your immediate attention to the foregoing, and for your anticipated courtesy and cooperation.

Very truly yours,

**ANDERSON KILL WOOD & BENDER, P.C.**

  
Jeff Coyner  
Attorney

IMANAGE-96898.1

New York ■ Greenwich ■ Newark ■ Philadelphia ■ Ventura ■ Washington, D.C.

## ANDERSON KILL WOOD & BENDER, P.C.

*Settle for Everything. ®*

864 E. SANTA CLARA ST. ■ VENTURA, CA 93001  
TELEPHONE: 805-288-1300 ■ FAX: 805-288-1301  
www.andersonkill.com

Jeff Coyner, Esq.  
jcoyner@andersonkill.com  
(805) 288-1300

Via U.S. Mail

November 30, 2009

Ms. Elisa Vasquez, Manager  
Intergovernmental Relations  
Community Development Commission  
of the County of Los Angeles  
2 Coral Circle  
Monterey Park, CA 91755

Re: **Public Records Request**

Dear Ms. Vasquez:

Pursuant to California Government Code Section 6250 et. seq. ("the Public Records Act"), Anderson Kill Wood & Bender, P.C. requests that the Community Development Commission of the County of Los Angeles provide this firm within the statutory deadlines established under the Public Records Act copies of the following:

- (1) All notices of meetings with residents of Ujima Village Apartments located at or near 941 E. 126<sup>th</sup> Street, Willowbrook, California 90059 ("Ujima Village") regarding testing and contamination at Ujima Village.
- (2) All letters sent or given to residents of Ujima Village regarding testing and contamination at Ujima Village.
- (3) Any minutes from the meetings with residents of Ujima Village regarding testing and contamination at Ujima Village.
- (4) All documents relating to the investigation and remediation of the contamination at or emanating from Ujima Village and Ujima Village Area from 2003 to the present.
- (5) All documents relating to the relocation of the residents at Ujima because of the testing and contamination at Ujima Village from 2007 to the present.

**RECEIVED**

DEC 02 2009

**IGR/PI**

IMANAGE-96725.1

New York ■ Greenwich ■ Newark ■ Philadelphia ■ Ventura ■ Washington, D.C.

**Anderson Kill Wood & Bender, P.C.**

Ms. Elisa Vasquez  
Manager  
Intergovernmental Relations  
November 30, 2009  
Page 2

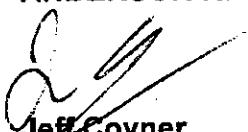
- (6) Any and all communications between the Community Development Commission of the County of Los Angeles and U.S. Department of Housing and Urban Development regarding the County of Los Angeles purchase of Ujima Village Apartments.
- (7) Memo on the status of Ujima Village as noted as Agenda Item No. 5 in the Housing Authority of the County of Los Angeles minutes for the regular meeting of the Los Angeles County Housing Commission on Wednesday, July 22, 2009.

Please let us know when we can expect these documents. Authorized fees will be paid to you upon delivery, pursuant to an itemized invoice.

Should you have any questions, please do not hesitate to contact me.

Very truly yours,

**ANDERSON KILL WOOD & BENDER, P.C.**



**Jeff Coyner**  
Attorney

JC/yfd

cc: Sachi A. Hamai, Executive Officer  
Brian T. Chu, Esq., Principal Deputy County Counsel (LA County)  
Sean Rogan (Executive Director – Community Development Commission)  
Maria Badrakhan (Director – Housing Management Division)  
Henry Porter, Jr. (LA County Housing Commissioner, District 2 Appointee)

## ANDERSON KILL WOOD & BENDER, P.C.

*Settle for Everything. ®*

864 E. SANTA CLARA ST. ■ VENTURA, CA 93001  
TELEPHONE: 805-288-1300 ■ FAX: 805-288-1301  
www.andersonkill.com

Jeff Coyner, Esq.  
jcoyner@andersonkill.com  
(805) 288-1300

Via U.S. Mail

November 25, 2009

Brian T. Chu, Esq.  
Principal Deputy County Counsel  
General Litigation Division  
County of Los Angeles  
Office of the County Counsel  
648 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012-2713

Re: **Public Records Request**

Dear Mr. Chu:

Pursuant to California Government Code Section 6250 et. seq. ("the Public Records Act"), Anderson Kill Wood & Bender, P.C. requests that the County of Los Angeles provide this firm within the statutory deadlines established under the Public Records Act copies of the following:

- (1) Deed for the Ujima Village Complex located at or near 941 E. 126<sup>th</sup> Street, Willowbrook, California 90059 ("Ujima Village").
- (2) Deed for the Earvin "Magic" Johnson Park located at or near 905 E El Segundo Blvd, Los Angeles, CA 90059.
- (3) The purchase agreement wherein the County of Los Angeles Purchased Ujima Village from the Department of Urban Development identified in the Motion of November 12, 2008 by Supervisor Yvonne Burke attached hereto as Exhibit "A".
- (4) The indemnity agreement between the County of Los Angeles and the U.S. Department of Housing and Urban Development identified in the Motion of November 12, 2008 by Supervisor Yvonne Burke attached hereto as Exhibit "A".
- (5) All documents involving the "protracted negotiations focusing on the known contaminants" between the County of Los Angeles and the U.S. Department of Housing and Urban Development identified in

IMANAGE-96826.1

New York ■ Greenwich ■ Newark ■ Philadelphia ■ Ventura ■ Washington, D.C.

**Anderson Kill Wood & Bender, P.C.**

Brian T. Chu, Esq.  
Principal Deputy County Counsel  
General Litigation Division  
County of Los Angeles  
Office of the County Counsel  
November 25, 2009  
Page 2

the Motion of November 12, 2008 by Supervisor Yvonne Burke attached hereto as Exhibit "A".

- (6) The 2003 "Request for Qualifications for a developer to purchase and rehabilitate Ujima Village" as identified in the Motion of November 12, 2008 by Supervisor Yvonne Burke attached hereto as Exhibit "A".
- (7) All documents from the "selected developer" from the Request for Qualifications for Ujima Village that reflect the developer "pulled out because of the soil and groundwater contamination, the potential need for remediation and their potential liability concerns" as identified in the Motion of November 12, 2008 by Supervisor Yvonne Burke attached hereto as Exhibit "A".

Please let us know when we can expect these documents. Authorized fees will be paid to you upon delivery, pursuant to an itemized invoice.

Should you have any questions, please do not hesitate to contact me.

Very truly yours,

**ANDERSON KILL WOOD & BENDER, P.C.**



**Jeff Coyner**  
Attorney

JC/yfd



**Exhibit “A”**

MOTION BY SUPERVISOR YVONNE B. BURKE

NOVEMBER 12, 2008

In 1995, the Housing Authority purchased Ujima Village, a 300-unit affordable housing development, from the U.S. Department of Housing and Urban Development (HUD). The property is located in the unincorporated Willowbrook area, adjacent to Earvin "Magic" Johnson Park. The combined property is the location of the former 122-acre Athens Tank Farm (ATF), where refined as well as crude petroleum products were stored. As a result of this past usage, environmental data indicates that the soil, soil vapor, and groundwater beneath Ujima Village have been impacted with petroleum products and related contaminants. The ATF was owned and operated by General Petroleum Corporation, which became part of Mobil Oil Corporation in the 1960s and is now ExxonMobil Oil Corporation.

In the early 1970s, HUD contracted with a community-based, non-profit developer and financed the construction of housing units, a community center, and small retail buildings. In the 1980s, the State of California transferred the Park to the County. After the ownership of Ujima Village changed hands several times, HUD approached the Housing Authority about taking over the housing development.

MOTION

MOLINA	_____
YAROSLAVSKY	_____
KNABE	_____
ANTONOVICH	_____
BURKE	_____

## **M-O-R-E**

### **MOTION BY SUPERVISOR YVONNE B. BURKE**

**NOVEMBER 12, 2008**

**PAGE 2**

Following protracted negotiations focusing on the known contaminants, HUD and the Housing Authority reached an agreement on the property transfer. The Board of Commissioners of the Housing Authority subsequently approved the purchase in 1995 at the cost of \$1.00. HUD had just completed \$6 million in site improvements, and upon transfer of the property, provided an additional \$770,000 for community center, landscape, and hardscape improvements.

Through the contract of sale, HUD agreed to indemnify the Housing Authority against liability for costs arising from pre-existing environmental conditions affecting the soil or groundwater beneath the site and resulting from the past task farm usage, so long as those costs resulted from an action by a governmental agency with jurisdiction over the environmental conditions, and to the extent that the costs were not compensated for by insurance, contribution, or other means.

As is typical of many structures built before 1978, the units have both lead-based paint and asbestos-containing materials. While not a health hazard to residents, the presence of these materials mandates that routine renovations and repairs must be performed in accordance with regulations by appropriately certified personnel. This substantially increases the costs of renovations. Despite the Housing Authority's regular maintenance program, the deterioration of the aging buildings began to impact the quality of life for the Ujima Village residents. The Housing Authority estimated the required rehabilitation cost at \$20 million, but did not have access to financing mechanisms such as tax credits to pay for the much-needed renovation. In 2003, the Housing Authority issued a Request for Qualifications for a developer to purchase and rehabilitate Ujima Village. The selected developer eventually pulled out because of the soil and groundwater contamination, the potential need for remediation, and their potential liability concerns.

**M-O-R-E**

**MOTION BY SUPERVISOR YVONNE B. BURKE  
NOVEMBER 12, 2008  
PAGE 3**

In November 2007, the California Regional Water Quality Control Board issued an order to the Housing Authority and to ExxonMobil to complete environmental investigation, assessment, monitoring, and cleanup of the Ujima Village site. As a direct result of the Water Board's work order, HUD notified the Housing Authority of its intent to offer relocation assistance to Ujima Village residents wishing to move voluntarily. The relocation began in June 2008 and will continue until December 13, 2008. At that time, HUD will also terminate the Housing Assistance Payments (HAP) contract and discontinue paying rent subsidies for tenants in the Section 8 Project-Based program, although these tenants may still be occupying units at Ujima Village. HUD has subsidized the rents for these tenants since 1996, but will no longer do so after December 13, 2008. In view of the termination of the HAP Payments, escalating security costs, and only having approximately 65 tenants remaining, rent receipts are inadequate to cover the operating costs of this 300-unit development. Consequently, it has become necessary to close down the development and relocate the remaining tenants.

**I, THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:**

1. Direct the Chief Executive Officer to transfer \$520,500 in Second District discretionary funds to the Housing Authority to pay tenant relocation expenses at Ujima Village.

**M-O-R-E**

**MOTION BY SUPERVISOR YVONNE B. BURKE  
NOVEMBER 12, 2008  
PAGE 4**

**I, THEREFORE MOVE THAT THE BOARD OF COMMISSIONERS OF THE  
COMMUNITY DEVELOPMENT COMMISSION:**

1. Direct the Acting Executive Director of the Community Development Commission to transfer \$1,975,000 in Community Development Block Grant funds allocated to the Second Supervisorial District to the Housing Authority from the Community Development Commission to pay tenant relocation expenses at Ujima Village.

**I, THEREFORE MOVE THAT THE BOARD OF COMMISSIONERS OF THE HOUSING  
AUTHORITY:**

1. Direct the Acting Executive Director of the Housing Authority to take steps to close Ujima Village as soon as is practicable and to relocate the tenants;
2. Direct the Acting Executive Director to develop a strategy to relocate Ujima Village tenants in accordance with to the Uniform Relocation Act to pay relocation benefits not provided under HUD's voluntary relocation program;
3. Authorize the Acting Executive Director to accept \$2,495,500 and incorporate the funds into the Housing Authority's Fiscal Year 2008-2009 approved budget for the purposes described herein; and
4. Direct the Acting Executive Director to return to the Board in no more than 60 days with a recommendation for the disposition of the Ujima Village site and a status report on the ongoing negotiations with HUD on matters related to the relocations costs and disposition of the property.

FOR YOUR INFORMATION ONLY

Public Housing Capital Projects  
Housing Authority, County of Los Angeles

Project Description	District	Project Start Time	Project Type	Project Cost	Total Economic Impact <sup>1</sup>	Total Jobs Supported <sup>2</sup>
Replace and repave Parking Lots Harbor Hills (301 units)	4th	180 days	General Maintenance	\$1,750,000.00	\$3,710,000	25.72
Replace and repave Parking Lots Nueva Maravilla (504 units)	1st	180 days	General Maintenance	\$4,000,000.00	\$8,480,000	58.78
Replace and repave Parking Lots Carmelitos (750 units)	4th	180 days	General Maintenance	\$5,000,000.00	\$10,600,000	73.48
Replace chain link fence Harbor Hills	4th	90 days	Safety and Security Improvements	\$2,000,000.00	\$4,240,000	29.39
Replace chain link fence Nueva Maravilla (504 units)	1st	90 days	Safety and Security Improvements	\$3,000,000.00	\$6,360,000	44.09
Repair stucco/paint building Nueva Maravilla (504 units)	1st	120 days	General Maintenance	\$1,000,000.00	\$2,120,000	14.70
Repair stucco/paint building Harbor Hills	4th	120 days	General Maintenance	\$1,000,000.00	\$2,120,000	14.70
Repair stucco/paint building Carmelitos/Carmelitos Senior	4th	120 days	General Maintenance	\$2,000,000.00	\$4,240,000	29.39
Replace sidewalk Nueva Maravilla (504 units)	1st	120 days	Safety and Security Improvements	\$1,000,000.00	\$2,120,000	14.70
Replace irrigation/landscape Nueva Maravilla (504 units)	1st	180 to 240 days	Energy Efficiency Improvements	\$5,000,000.00	\$10,600,000	73.48
Convert electrical to individual meters Nueva Maravilla (504 units)	1st	180 days	Energy Efficiency Improvements	\$3,000,000.00	\$6,360,000	44.09

Replace Roof			120 days	General Maintenance	\$2,000,000.00	\$4,240,000	29.39
Nueva Maravilla (504 units)	1st						
Replace windows	1st		180 days	Energy Efficiency Improvements	\$3,000,000.00	\$6,360,000	44.09
Nueva Maravilla (504 units)							
South Bay Gardens (100 units)	2nd		180 days	General Maintenance	\$3,300,000.00	\$6,996,000	48.50
Remodel kitchens							
ADA/Section 504 Compliance	Countywide		90 to 180 days	Safety and Security Improvements	\$3,000,000.00	\$6,360,000	44.09
Agency-Wide							
Installation of security cameras	Countywide		90 to 180 days	Safety and Security Improvements	\$1,000,000.00	\$2,120,000	14.70
Agency-Wide							
Termite Abatement/Relocation	Countywide		90 to 180 days	General Maintenance	\$2,000,000.00	\$4,240,000	29.39
Agency-Wide							
Lead Base Paint Abatement	Countywide		90 to 180 days	Safety and Security Improvements	\$2,000,000.00	\$4,240,000	29.39
Agency-Wide							
Replace Flooring/Carpet	Countywide		90 to 180 days	General Maintenance	\$5,000,000.00	\$10,600,000	73.48
Agency-Wide							
Modernize Elevators/504 compliance	Countywide		180 days	Safety and Security Improvements	\$3,000,000.00	\$6,360,000	44.09
Agency-Wide							
Cycle painting/unit interior	Countywide		90 to 180 days	General Maintenance	\$10,000,000.00	\$21,200,000	146.95
Agency-Wide							
Replace Roofs	Countywide		90 to 180 days	General Maintenance	\$5,000,000.00	\$10,600,000	73.48
Agency-Wide							
Upgrade Fire Alarm Systems	Countywide		90 to 180 days	Safety and Security Improvements	\$2,000,000.00	\$4,240,000	29.39
Agency Wide							

Replace Boilers	Countywide	180 days	General Maintenance	\$3,000,000.00	\$6,360,000	44.09
Agency-Wide						
Replace windows	Countywide	90 to 180 days	Energy Efficiency Improvements	\$8,000,000.00	\$16,960,000	117.56
Agency Wide						
				<b>Total Capital Spending</b>	<b>Total Economic Impact</b>	<b>Total Jobs Supported</b>
				\$81,050,000	\$171,826,000	1191.07

<sup>1</sup> Regional and State economic impact of the project based on 2007 CLPHA Econsult report (NOTE: This cell is automatically populated).

<sup>2</sup> Total jobs supported by the project based on 2007 CLPHA Econsult report (NOTE: This cell is automatically populated).

**Note:** As indicated above, the last two columns are based on a report from CLPHA, the Council of Large Public Housing Authorities. These numbers were not generated by the Housing Authority of the County of Los Angeles.



## Housing Authority - County of Los Angeles

December 16, 2009

TO: Housing Commissioners

FROM: Margarita Lares, Director  
Assisted Housing Division

RE: **FSS PROGRAM UPDATE – NOVEMBER 2009**

FOR YOUR INFORMATION ONLY

The Family Self-Sufficiency (FSS) Program is a HUD initiative intended to assist Public Housing residents and Housing Choice Voucher Program participants achieve economic independence and self-sufficiency.

### Activities

<b>RECRUITMENT</b>	223 13 1	Applications received Applications Sent Partnership Presentations
<b>ENROLLMENTS</b>	9	New Participants
<b>MEETINGS</b>	1	HUB Cities (Huntington Park, South Gate, Lynwood, Cudahy and Maywood) Partnership Meeting
<b>WORKSHOPS</b> <b>Program Presentations</b>	1	HUB Cities Partnership Meeting
<b>Money Smart Workshop</b>	8 9	Disseminated credit repair informational packets Disseminated budget informational packets
<b>REFERRALS</b>	11 3 1 4 3 18	Job referrals from the HUB Cities, SASSFA, LA Works. CDC Home Ownership Program (HOP) Anger Management counseling referral Childcare information Community counseling services WorkSource Center employment workshops and job fairs
<b>GRADUATIONS</b>	3	FSS graduations

If you have any questions, please feel free to contact me at (562) 347-4837.

ML:WB:RM:dt

# Contract Status Report

FOR YOUR INFORMATION ONLY

<u>Project Filter Options</u>		<u>Program:</u>	<u>Proj. Manager:</u>
<u>District:</u> All Distr.		All Programs	All Managers
<u>Dev. Stage:</u> All Stages		All Departments	All Team Members
			<u>Fund Source:</u> All funds

District	Project Name	Contractor Name	Original Contract Amount	Current Contract Amount	% Cng Orders	Approved Payments	%Cmpl	Pending Action / Forecast	Status
1st	Francisquito Elevator Project (14622) Tracker #: TP002569	M.L. CONSTRUCTION	\$351,000	\$351,000	0%	\$0	0%	ML Construction started with elevator shop drawings and ordering elevator equipment.	
2nd	Woodcrest I & II Roof and Exterior Improvements Tracker #: TP002737	Spec. Construction Co., Inc.	\$248,770	\$293,320	18%	\$293,320	100%	CMD to close out the project.	
3rd	Kings Road Elevators Assessment Tracker #: TP002647	M.L. CONSTRUCTION	\$791,600	\$791,600	0%	\$346,722	44%	ML Construction/Superior Elevator are completing controls modernization of elevator No. 2 at 800 building and elevator No. 1 at 801 building. State certification has been delayed due to Fire Alarm non-compliance with new Code. Jam Fire Protection anticipates compliance by December 15.	
4th	Carmelitos Parking Lots Phase 2 Tracker #: TP002377	Torres Construction	\$411,543	\$411,543	0%	\$0	0%	Torres Construction started Parking lots 7 and lot 12 to follow. Phase III will include 6 Parking lots & sidewalks (3, 4, 6, 8, 9 and 10). At 4 parking lots (1, 2, 5, and 11) the work is sidewalks only. The parking area has been done before. Phase III is schedule for BOS approval February 9, 2010.	
4th	Carmelitos Seniors Elevator Project (761 and 817) Tracker #: TP002568	M.L. CONSTRUCTION	\$354,400	\$354,400	0%	\$0	0%	ML Construction approved shop drawings and ordering elevators. Modernization will start in January. The pit waterproofing is schedule for December 3.	
4th	Carmelitos Seniors Exterior Improvements Tracker #: TP002300	Tobo Construction, Inc.	\$352,552	\$387,996	10%	\$387,996	100%	Major construction work is complete. The only scope of work left is completion of stucco work and painting. Contractor expects to be complete by Dec. 4, 2009.	

District	Project Name	Contractor Name	Original Contract Amount	Current Contract Amount	% Cng Orders	Approved Payments	%Cmpl	Status	
								Pending Action / Forecast	
4th	Carmelitos-Harbor Hills Playground Resurfacing Tracker #: TP002671	HH Construction	\$182,710	\$182,710	0%	\$0	0%	Change order no. 1 was executed for approx. \$17,000 for Tot Lot # 101. CMD received price proposal for the floor replacement at Tot Lot #300 and #400 but there was not enough contingency to cover both. A copy of the cost proposal was provided/sent to HM for information.  CMD will further negotiate to reduce the amount to cover at a min. the floor replacement at #400. Change order no. 2 will be issued to take care of the drainage issues at the Carmelitos playground.	
4th	Harbor Hills Kitchen Remodel - Phases I & II Tracker #: TP002376	GIBRAI.TAR CONSTRUCTION Co. Inc.	\$1,170,000	\$1,170,000	0%	\$937,248	80%	Correction items for flooring and range space will start on Dec. 2, 2009 with 4 units a day. Inspections will be occurring about once a week.  According to the contractor's schedule, they should be complete with all corrections by Jan. 11, 2010. The time extension on the change order will allow them time until Jan. 15, 2009.	
4th	Whittier Manor Elevators (FY 05-06) Tracker #: TP002011	Tobo Construction, Inc.	\$279,820	\$279,820	0%	\$0	0%	Tobo Construction getting approved elevator shop drawings and ordering elevator equipment.  Tobo Construction will not be on site until delivery of equipment, expected at the end of February 2010. No elevator disruption until then.	
TOTALS:			\$4,142,395	\$4,222,389	2%	\$1,965,286			

**Community Development Commission**

FOR YOUR INFORMATION ONLY

November 25, 2009

TO: Each Supervisor

FROM: *for* *Roberto A. Glover*  
Sean Rogan, Executive Director

SUBJECT: **UPDATE ON THE PURSUIT AND IMPLEMENTATION OF FUNDING MADE AVAILABLE IN H.R. 1, THE AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) OF 2009**

On March 31, 2009, the Board of Supervisors (Board) requested that the Community Development Commission/Housing Authority of the County of Los Angeles (CDC/HACoLA) report on the efforts to apply for, or take the necessary steps to accept, each category of funding contained within ARRA that the CDC/HACoLA is eligible to receive, either by formula or by competitive grant application.

In an effort to reduce redundancy, this memorandum has been reformatted to contain a consolidated view of the award/expenditure changes each month. To date, the CDC/HACoLA has been awarded \$33,603,148 of the \$114,312,431 applied for; with \$61,000,000 pending award notification.

**Funding Awarded**

**PUBLIC HOUSING CAPITAL FUND (CF)**

**Funding Amount: \$7,401,512 (by formula)**

**Award of Funds:** On March 31, 2009, the Board of Commissioners approved a motion to accept the grant funds, and funding became available to the HACoLA on May 14, 2009.

**Use of Funds:** The funds are being used for security improvements, energy efficiency work measures, preventive maintenance, and general improvements at 12 public housing developments comprised of 2,500 public housing units.

**Expenditure Levels:** As of November 18, 2009, the HACoLA had expended \$1,319,224 of the \$3,164,954 obligated.

**Provisions:** The HACoLA must obligate 100% of the funds within 1 year, expend 60% of the funds in 2 years, and complete 100% of the fund expenditures in 3 years.

**Funding Amount: \$5,924,000 (Applied for \$22,399,000 by competition.)**

**Award of Funds:** On June 22, 2009, the HACoLA applied for \$16,475,000 in funding for improvements addressing the needs of the elderly and/or people with disabilities and public housing transformation. Additionally, on July 21, 2009, the HACoLA applied for \$5,924,000 in funding for energy efficient/green community projects.

**Use of Funds:** The HACoLA was only awarded funding in the 'Creation of an Energy Efficient Green Community' category. Funds were granted on September 29, 2009, and are being used at the Nueva Maravilla housing development to reduce energy costs, generate resident and PHA energy savings, and reduce greenhouse gas emissions attributable to energy consumption.

**Expenditure Levels:** There are no expenditures to date, but the HACoLA will be going to the Board on December 1, 2009 for approval to accept the funds.

**Provisions:** The HACoLA must obligate 100% of the funds within 1 year of the date in which funds become available for contracts. HUD requires the HACoLA to use at least 60% of the funds within 2 years and 100% of the funds within 3 years.

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#### **COMMUNITY DEVELOPMENT BLOCK GRANT-RECOVERY (CDBG-R)**

**Funding Amount:** \$8,080,528 (by formula)

**Award of Funds:** The CDC submitted an amendment to the CDBG Program Year 2008 Action Plan (as required by ARRA) on June 5, 2009, after receiving approval from the Board on June 2, 2009. The CDC received the Grant Agreements on August 26, 2009.

**Use of Funds:** The CDC worked with the agencies affected by CDBG/ARRA regulations and submitted a final list of projects for approval to HUD on August 13, 2009, and the Board on August 18, 2009. Both HUD and the Board approved the list for the CDC's CDBG-R Program and, with the exception of four outstanding contracts we are working to finalize, projects are underway. Most will be ready for implementation and construction at the beginning of the calendar year.

**Expenditure Levels:** As of November 18, 2009, the CDC had expended \$20,035.

**Provisions:** The CDC must use the entire grant of CDBG-R funds by September 30, 2012.

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#### **HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM (HPRP)**

**Funding Amount:** \$12,197,108 (by formula)

**Award of Funds:** The CDC submitted a completed application to HUD on May 18, 2009, which was subsequently approved in June. Trainings on reporting, program monitoring, and general implementation were held for the applicable County departments on August 19, 2009, and the CDC received the Grant Agreements on August 20, 2009.

**Use of Funds:** HPRP is designed to provide homelessness prevention and rapid re-housing services including, but not limited to, eviction prevention, relocation and moving cost assistance, rental subsidies, security and utility deposit assistance, and referral services. Implementation began on October 1, 2009; and the Departments of Public Social Services, Consumer Affairs, Children and Family Services, Community and Senior Services, and the Los Angeles Homeless Services Authority have been working collaboratively to deliver assistance to those in need. In addition, Neighborhood Legal Services began offering legal assistance and representation to persons and families with unlawful detainers on November 1, 2009.

**Expenditure Levels:** As of November 18, 2009, the CDC had expended \$57,201.

**Provisions:** HUD requires that 60% of the funds be used within 2 years, and 100% in 3 years.

#### **Pending Grants**

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#### **NEIGHBORHOOD STABILIZATION PROGRAM 2 (NSP2)**

**Funding Amount:** Applied for \$61,000,000 by competition.

**Award of Funds:** On July 10, 2009, the CDC submitted an application for \$61,000,000 to continue the Housing and Economic Recovery Ownership program (HERO) and Rental Infill Sites activities.

**Use of Funds:** The CDC will use NSP2 funding, if awarded, to supplement its NSP1 program, which includes the HERO program and Rental Infill Sites activities for tenants below 50% of the area median income (AMI).

**Expenditure Levels:** All selected applicants will be notified by December 1, 2009. There are no expenditures to date as this grant has yet to be awarded.

**Provisions:** If funds are received, 50% must be used within 2 years, and 100% in 3 years.

### **Unsuccessful Grant Applications**

#### **GREEN RETROFIT PROGRAM FOR MULTIFAMILY HOUSING**

**Funding Amount:** Applied for \$2,260,000 by competition.

**Award of Funds:** On June 15, 2009, the HACoLA submitted 2 applications, one for funding for the Kings Road site requesting \$1.06 million, and one for funding for the Lancaster Homes site requesting \$1.2 million. As previously reported, these applications were initially flagged by HUD and prevented from moving forward due to the issues associated with the Ujima Village site. However, HUD has subsequently released the restrictions and both applications were resubmitted by August 28, 2009. The HACoLA did not receive the grant.

**Use of Funds:** The HACoLA plans to continue pursuing other funding sources for the modernization and rehabilitation of the Kings Road and Lancaster Homes developments.

#### **JUVENILE JUSTICE AND CRIME PREVENTION ACT PROGRAM (JJCPA)/EDWARD BYRNE MEMORIAL COMPETITIVE GRANT PROGRAM**

**Funding Amount:** Applied for \$974,283 by competition.

**Award of Funds:** The CDC submitted an application on April 27, 2009. The CDC did not receive the grant.

**Using the Funds:** Had the CDC been awarded, the funds would have been used to support existing JJCPA programs.

If you have any questions, please contact me at (323) 890-7400, or Terry Gonzalez, Director, CDBG Division, at (323) 890-7150.

SR\TG\SH\nm  
K:\CDBG Common\IGR-PI\ARRA Board Memo\November '09 ARRA Memo

#### **Attachment**

c: Each Deputy  
Lari Sheehan, Deputy Chief Executive Officer, Chief Executive Office  
Ellen Sandt, Deputy Chief Executive Officer, Chief Executive Office  
Jackie White, Deputy Chief Executive Officer, Chief Executive Office  
Sachi A. Hamai, Executive Officer/Clerk Board of Supervisors  
Lisa Rizzo, Principal Analyst, Chief Executive Office  
Scott Wiles, Special Assistant, Chief Executive Office  
Jenny Serrano, Program Specialist, Chief Executive Office

ARRA GRANT OPPORTUNITY					FUNDING AGENCY	FORMULA AMOUNT/ \$ APPLIED FOR	AMOUNT AWARDED	GRANT AGREEMENT*
1	Capital Fund (formula)				HUD	\$7,401,512	\$7,401,512	Yes
2	Capital Fund (competitive) - Disabilities Category				HUD	\$9,235,000	Did Not Receive	No
3	Capital Fund (competitive) - PH Transformation				HUD	\$7,240,000	Did Not Receive	No
4	Capital Fund (competitive) - Green Technology				HUD	\$5,924,000	\$5,924,000	Yes
5	Community Development Block Grant - Recovery				HUD	\$8,080,528	\$8,080,528	Yes
6	Neighborhood Stabilization Program 2				HUD	\$61,000,000	Pending	No
7	Homeless Prevention and Rapid Re-Housing Program				HUD	\$12,197,108	\$12,197,108	Yes
8	Green Retrofit Program for Multifamily Housing				HUD	\$2,260,000	Did Not Receive	No
9	Edward Byrne Memorial Competitive Grant				DOJ	\$974,283	Did Not Receive	No
Total Awarded Under ARRA as of 11/25/2009						\$33,603,148		

\*Grant Agreement Received - Funds available for drawdown at U.S. Treasury.

**From:** Elisa Vasquez

**Sent:** Monday, December 07, 2009 9:19 AM

**To:** Directors/Managers

**Cc:** Daniel Rofoli; Debra Solis; Elisa Vasquez; Geoffrey Siebens; Gloria Ramirez; Grace Thamawatanakul; Gregg Kawczynski; Joan Wall; Jose Pilpa; Lynna Ochoa; Marcie Miranda; 'meiwen fang'; Nicholas Teske; Raymond Webster; Samantha Harrison

**Subject:** Legislative Update

Hello,

FOR YOUR INFORMATION ONLY

Below please find an update on our Federal legislative activity. There is no State activity to report at this time. Please let me know if you have any questions.

### **Federal Budget**

This morning, our Washington, D.C. advocates reported that this week, House and Senate appropriators will work to finalize and possibly bring to the floor year-end legislative packages that would include the remaining seven FY 2010 appropriations bills that have not yet been signed into law, as well as jobs creation legislation. The current plan being discussed would package the FY 2010 Defense appropriations measure and carry provisions to set estate tax rates and increase the national debt limit. Under this scenario the remaining six FY 2010 appropriations measures would be combined into a single omnibus bill, using the conference report on the FY 2010 Military Construction-Veterans Affairs appropriations measure as the vehicle to advance the package. Included in the measure would be the FY 2010 Commerce-Justice-Science; Transportation-Housing and Urban Development; Labor-Health and Human Services-Education; Financial Services and State-Foreign Operations bills, and possibly a short-term extension of the PATRIOT Act, Medicare physician reimbursements, extensions of COBRA, unemployment insurance and food stamps and job production provisions.

House and Senate leaders hope to finalize the jobs provisions this week, though it remains unclear how they would be paid for. House leaders have indicated that they would like to fully offset what is expected to be roughly \$200 billion in spending on job creation initiatives, though no agreement has been reached on whether or not to use \$60 to \$70 billion from the Troubled Asset Relief Program (TARP) or some portion of unspent funding from the American Recovery and Reinvestment Act. So far Congress has passed and the President has signed into law conference agreements on five of the 12 annual spending bills. Those measures include the Agriculture; Energy and Water; Homeland Security; Interior-Environment and Legislative Branch bills. Funding for federal programs included in the remaining seven bills is being provided by through a Continuing Resolution (CR) extending funding at FY 2009 levels until December 18.

### **Federal Legislation**

IGR has been working with HDP and our advocates to generate support, and possibly co-sponsorship, from Senator Barbara Boxer, for S. 1781, the Reduce Emergency Department Utilization through Coordination and Empowerment (REDUCE) Act. The REDUCE Act would establish a demonstration program for service providers to be reimbursed by Medicaid for coordinated care management and community support services targeted to people who are frequent users of emergency health and mental health care services. We support this legislation for its potential impact on homeless individuals with multiple disabling conditions.

The bill is currently under consideration in the Senate Committee on Finance and our Washington, D.C. advocates have advised us that certain provisions of the Act are being considered as amendments to the health care reform bill currently under debate in the Senate.

IGR will continue to monitor and report on these and any other relevant legislative matters.

Thanks,  
Elisa



# **NEWS ARTICLES**

ing on its existing client base to live in new PBV units. He also noted that when a PHA enters into an agreement to issue a HAP contract for new construction or rehabilitation, HUD considers these units as unavailable for tenants who want to move. Gunsolly said that PHAs must communicate with owners about when the PBVs will be needed and then plan their voucher issuance accordingly.

"You have hit one of the cons of project-based vouchers," said Davis, agreeing with Gunsolly. "The only way you can affect that is to make sure that you develop and project-base at places where people want to stay."

Davis said that was one consideration for SDHC in its decision to provide PBVs for the SRO hotel. However, SDHC is a Moving to Work (MTW) agency and therefore has greater flexibility than most housing authorities in running its programs. "There is no reason to believe that people aren't going to want to take their voucher elsewhere," he said. "So you have to consider up front" that this may happen.

**SECTION 8**

## **Vouchers Have Modest Impact on Mobility, But Can Be More Effective In Reducing Hardship, Study Says**

Section 8 vouchers have only a modest effect in enabling families with children to move to neighborhoods with lower poverty or more racial diversity, according to an Abt Associates study for the Harvard Joint Center for Housing Studies.

The study, which is based on an experimental evaluation of the effects of housing vouchers on welfare families completed in 2006, also found that vouchers are more effective in preventing homelessness and in protecting families against economic hardship.

In addition, vouchers also enable families living with relatives to form independent households, according to the report, though their economic circumstances are likely to remain shaky.

### **Effect on Mobility**

In examining the impact of vouchers on household mobility, the study found that the program has had some effect in reducing the percentage of families who live in areas of highly concentrated poverty and in allowing particular families to move away from neighborhoods with the highest concentrations of poverty.

However, according to the report, the effects are modest in size and concentrated among the families who live in the highest-poverty neighborhoods, in particular, public housing.

"The neighborhoods to which families move are not low-poverty neighborhoods," the study adds, "just neighborhoods with somewhat lower poverty concentrations."

The study also found that vouchers had a modest impact on racial concentration, enabling African-American families in the poorest, most racially concentrated neighborhoods to move to neighborhoods which are somewhat more racially diverse.

"Therefore, we cannot rely on vouchers by themselves

and as currently implemented to reduce racial concentrations and increase access to high-opportunity neighborhoods," the report says. "Other 'mobility' efforts are needed and might include changes to the way the voucher program is administered, counseling programs to help families use their vouchers to move to better neighborhoods, or use of vouchers in combination with supply-side rental subsidy programs."

### **Economic Hardship**

The study found that vouchers are effective in preventing homelessness and providing income support for low-income families, noting that the subsidy formula provides the greatest benefits to the poorest families and acts as a safety net against job or income loss.

"However," the report adds, "families with vouchers often give them up because of the program's administrative failures or because of lack of information, and families who give vouchers up end up in worse circumstances than those who go on using vouchers."

Accordingly, the report calls for the redesign of program regulations to help families keep their vouchers.

Although vouchers enable families to move out of relatives' homes and establish independent households, the report says, they don't seem to create a platform for moving to a level of self-sufficiency where rental assistance is no longer needed.

"These findings imply that additional work supports (perhaps an expanded earned income tax credit) are needed," the report concludes. "They also imply that time-limiting vouchers or creating a voucher subsidy that 'steps down' or phases out would leave formerly assisted voucher families in precarious economic circumstances."

("Housing Patterns of Low-Income Families with Children" is available at [www.jchs.harvard.edu](http://www.jchs.harvard.edu).)

### **ENERGY**

## **Report Outlines Plan to Address Barriers to Home Energy Retrofits**

The American Recovery and Reinvestment Act (ARRA) provides a "unique opportunity" to address barriers to home energy efficiency retrofits that could save homeowners \$21 billion a year in energy bills, according to a report from the Vice President's Middle Class Task Force and the Council on Environmental Quality (CEQ).

The report notes that ARRA provides about \$80 billion for projects related to energy and the environment, with much of the money targeted to improving energy efficiency in buildings, including homes.

"Home retrofits can potentially help people earn money, as home retrofit workers, while also helping them save money, by lowering their utility bills," the report says. "By encouraging nationwide weatherization of homes, workers of all skill levels will be trained, engaged, and will participate in ramping up a national home retrofit market."

### **Barriers to Retrofit Market**

Currently, according to the report, the development of a

legislation, NRSROs and their affiliates would be prohibited from providing consulting and advisory services to companies that they also rate or from performing any credit rating for an issuer which employs an analyst who worked at the NRSRO during the previous year. The SEC could waive these prohibitions when a waiver is in the public interest.

### **Ratings Methodologies**

The SEC would also be required to issue rules ensuring that NRSROs use current ratings methodologies and that changes to such methodologies are applied to current ratings.

Issuers and investors would have to be notified when ratings models are updated.

The SEC would be required to adopt ratings symbols that distinguish among structured products, non-structured products, corporate offerings, municipal offerings, and such other issuances as the agency deems appropriate.

Each NRSRO would have to establish and maintain ratings based on the assessment of the risk that investors won't get paid, to clearly define ratings symbols, and to apply the symbols consistently.

The NRSROs would have to use an SEC form to provide information to investors on their ratings, including any risks not taken into account, the reliability and quality of information reviewed, whether third-party due diligence services were used, and the potential volatility of a rating.

### **Reliance on Ratings**

In an effort to reduce the reliance on credit ratings for federal programs, the bill would remove any references to ratings in federal statutes, effective six months after the date of enactment.

Not later than one year after the date of enactment, federal agencies would have to review their regulations, policies, and practices which make reference to credit ratings to determine if another credit measure would be appropriate.

The legislation would also require each NRSRO or its parent entity to have a board of directors with one-third independent directors whose compensation won't be linked to the performance of the NRSRO and whose non-renewable term won't exceed five years.

The independent directors would oversee the development, maintenance, and enforcement of the process for determining ratings, including compensation and promotion policies for personnel involved in setting ratings.

### SECTION 8

## **Chicago Housing Authority Helps Families Purchase Homes Through Voucher Subsidy Option**

The Chicago Housing Authority has helped 286 Section 8 families become homeowners with a voucher subsidy provided through the Choose to Own program

operated by CHAC, Inc., a subsidiary of Quadel Consulting. Working families get a mortgage subsidy for 15 years, while the length of assistance is not limited for elderly or disabled home buyers.

The prices of homes purchased in the program range from \$69,000 to \$280,000.

Since the average household income of home buyers is \$22,763, families need help from their Family Self-Sufficiency (FSS) escrow accounts, grants, and subordinate loans to purchase their homes, said Rose Ann Zona of CHAC, who spoke at the National Association of Housing and Redevelopment Officials (NAHRO) conference in Washington. The program is designed to help working families make a transition from rental housing to maintaining and owning a home, she said.

Families must have some financial resources to make use of the Choose to Own option, said Zona. Program participants must have full-time employment at least equivalent to 35 hours at the minimum wage, and they must be enrolled in the FSS program. Purchasers must have a minimum credit score of 680, but preferably higher, to get financing from one of five participating mortgage lenders, she said.

The Choose to Own goal is to have family savings of at least \$3,000 which can be used for a home purchase prior to homeownership counseling and mortgage application. Some of the costs involved, according to Zona, are \$1,000 to be used toward a down payment and lender application fees. The housing quality inspection is free, but the independent home inspection costs about \$300. Although pro bono legal services are provided through the Community Economic Development Law Project, there is a \$200 processing fee for preparing closing documents.

### **Family Resources**

Home buyers must have at least \$1,000 in a savings account after closing for maintenance and repairs, and they must make a monthly deposit of \$75 during the first three years of homeownership. After closing, homeowners may withdraw funds upon request as needed, but must show proof of payment for repairs or maintenance. The funds can be used for routine items and for improvements like adding garages, said Zona.

"Most of our clients are coming out of the FSS program, and they need a lot of gap financing," said Zona. "So a house that may not be affordable once they procure financing from a lender, we reach out and try to dovetail as many grants as we can get for them."

The city of Chicago has a home loan fund which can provide up to \$10,000 for a down payment to low-income families, and its New Homes for Chicago program can provide up to \$30,000, said Zona. The Illinois Housing Development Authority can provide up to \$30,000 for low-income home buyer assistance.

Families can also get funds from the city's historic bungalow preservation program, the Federal Home Loan Bank of Chicago's affordable housing program, and sometimes from seller, she said.

### **Mortgage Refinancing**

Choose to Own participants are allowed to refinance their

mortgages to shorten the loan term, lower the interest rate, make home improvements, buy a vehicle, or obtain education or job training, said Zona. In these refinancing deals, the title company pays vendors or contractors. Modifications may also be made to a mortgage, and families may use the voucher portability feature to sell their property and purchase another home with voucher assistance in another jurisdiction, she said.

The program has a rapid response system in place to work with families that have mortgage delinquencies, which are reported monthly, Zona said, noting that lender partners were chosen for their ability to track and monitor mortgages.

Families are able to use their FSS escrow savings for a home purchase before graduation from the five-year FSS program if they are in good standing. So far, 99 of 286 homeowners have graduated from the five-year program.

### **Disabled Homeowners**

Forty-one families who have purchased homes have a head of household with disabilities, and there are 31 other family members with disabilities. Disabled families can get grants of up to \$5,000 for modifications that include ramps, wheelchair access, and handrails.

Sixty-two percent of the home buyers have moved to lower-poverty neighborhoods, a trend that is the result of homeownership counseling, said Zona. Counselors ask families to think about the communities they live in, including education, transportation, and available jobs, said Zona. Sixty-five percent have moved to areas that meet HUD's definition of an opportunity neighborhood.

A challenge for the program, said Zona, is the job stability of families in today's troubled labor market and increasing incomes of working families after the subsidy period expires. The FSS program can help with career goal-setting, identifying job skills, and referrals to training, she said.

Another challenge, she said, is managing home maintenance and repair costs. Post-purchase referrals are made to home supply "super stores" for workshops, and do-it-yourself repair training is offered through Women in Trades and other groups. There are local green programs for conservation and weatherization, Zona said, and clients are referred to the low-income energy assistance program for heating assistance.

### **MORTGAGE FINANCE**

## **Nonprofit Lender Provides \$1 Billion For Multifamily Energy Efficiency Improvements in New York Projects**

A nonprofit affordable housing lender has launched a \$1 billion initiative to finance energy efficiency improvements and property retrofits for affordable multifamily housing projects in New York.

Community Preservation Corporation (CPC) said the goal of its green initiative loan program is to increase fuel and energy efficiency of up to 15,000 apartments by

at least 20 percent. The \$1 billion for the program includes a \$500 million investment by Freddie Mac, \$300 million from New York State and New York City pension funds, \$150 million from private lenders, and \$50 million from CPC's current investors.

Eligible properties include low- and moderate-income projects with low-income housing tax credits and other private and public funding in urban areas, although CPC will consider loans in rural areas on a case-by-case basis.

Under the program, CPC is conducting project energy audits to identify potential energy efficiency improvements as well as capital needs assessments to identify other deficiencies.

CPC will study the impact of the improvements on a building's energy and resource efficiency after a year as part of an effort to develop a data base to determine how to incorporate energy savings into multifamily loan underwriting criteria, according to Michael Lappin, CPC president and chief executive officer.

### **Available Financing**

CPC is offering two types of financing under the program. The Freddie Mac investment is being used almost exclusively to fund loans to refinance existing mortgages and to improve the efficiency of heating and electrical systems.

The interest rate on the loans will be 15 to 30 basis points below the rates for other Freddie Mac multifamily loans, and the loans will have 10-year terms with a 30-year amortization schedule. CPC is requiring a 1.25 debt service coverage ratio.

The maximum loan amount is \$12 million, although Lappin said he expects the average to be about \$5 million.

In addition to refinancing existing mortgages, the funding provided by the pension funds and private lenders will finance more extensive rehabilitations, and owners will be required to address deficiencies identified in capital needs assessments, according to Lappin.

### **Construction, Permanent Loans**

CPC intends to use up to \$150 million of the pension fund and private lender investments to establish a revolving loan fund to provide construction financing. The remaining \$350 million will go toward providing permanent mortgages that take out the construction financing, he said.

The State of New York Mortgage Agency (SONYMA) is providing mortgage insurance for the loans.

In general, loans funded by the pension fund and private lender investments will be capped at \$25 million per project, although Lappin said that amount "isn't a hard and fast limit." The pension fund financing will have 30-year terms with fixed interest rates.

Projects will be required to have a 1.25 debt service coverage ratio, and they will be subject to the same underwriting criteria applied to projects receiving loans funded by Freddie Mac.

owner's evidence of the economic injury resulting from the enactment of a statute.

In this case, the court said, the park owners showed that they have suffered such an injury from the "mere enactment" of the RCO.

### Penn Central Analysis

Considering the first Penn Central factor, the court noted that the RCO resulted in a substantial "wealth transfer" from the park owners to the tenants since the value of the below-market rents could be capitalized into a higher price when a mobile home is sold.

"The undisputed evidence shows that the mere enactment of the RCO has caused a significant economic loss for the Park Owners," the court concluded. "This factor weighs heavily in the Park Owners' favor."

As for the owners' investment-backed expectations, the court noted that although the RCO was in place when the plaintiffs bought the park, under the Supreme Court ruling in *Palazzolo v. Rhode Island*, 533 U.S. 606 (2001), subsequent property owners aren't barred from challenging a regulation already in place.

However, the court said, the impact of *Palazzolo* on the Penn Central investment-backed expectations test is less clear.

It concluded that the question of investment-backed expectations is not determinative, but must be considered in connection with the other Penn Central factors.

As for the character of the governmental action, the court concluded that this factor also weighs in the owners' favor because the RCO shifts the burden of providing low-cost housing from the general public to mobile home park owners.

Taking all of the Penn Central factors together, the court concluded that the RCO "goes too far" and constitutes a regulatory taking under the Fifth and Fourteenth Amendments.

The court rejected the plaintiffs' due process and equal protection claims.

The court held that the due process claim relating to a just and reasonable rate of return must be addressed in an as-applied, rather than facial, challenge to the RCO.

It also found that the ordinance does not violate the Equal Protection Clause because it is rationally related to the legitimate public interest of promoting affordable housing.

The court reversed the district court's judgment on the takings claim and remanded the case to the district court for further proceedings.

### Dissent

In a dissenting opinion, Judge Andrew J. Kleinfeld agreed with the majority that the prudential ripeness requirement of *Williamson County* doesn't preclude a ruling on the merits of the plaintiffs' challenge.

Kleinfeld said he would also agree that the ordinance would amount to a regulatory taking under Penn Central but for the fact that it was the reenactment of an ordinance already in effect when the plaintiffs bought the mobile home park.

## SECTION 8

# HUD Fair Market Rent Policies Can Be Challenged Under Fair Housing Act, But Not Under U.S. Housing Act

HUD has sovereign immunity under the U.S. Housing Act against a challenge to its determination of Section 8 fair market rents (FMRs), ruled the U.S. District Court for the Northern District of Texas, Dallas Division, but it held that the department was subject to suit under the Fair Housing Act. (*The Inclusive Communities Project, Inc. v. HUD*, No. 3:07-CV-0945-O, 2009 WL 3122610 (N.D. Tex.), September 29, 2009)

The Inclusive Communities Project, Inc (ICP), a non-profit organization that assists minority families participating in the Section 8 housing choice voucher program, brought an action challenging HUD's method for determining FMRs in the Dallas metropolitan region, where ICP's clients live.

ICP contended that because HUD's FMR area includes eight counties, rather than smaller geographic areas, the FMRs are artificially low since they include minority neighborhoods with low-income housing.

If the market were smaller, ICP said, the FMRs would be higher and give its minority clients the opportunity to live in more affluent, Caucasian areas.

### FMR Changes Sought

ICP sought to compel HUD to use smaller rental housing market areas to determine FMRs, require HUD to establish separate Section 8 rent levels for separate rental housing markets, and force HUD to further fair housing opportunities for minority participants in the Section 8 program when it sets rent levels.

ICP objected to the recommendation of the U.S. magistrate judge to grant HUD's motion to dismiss on the ground of sovereign immunity. HUD contended that ICP lacked standing to bring the suit and that HUD has not waived sovereign immunity.

HUD argued that ICP did not have standing because the remedies it sought would not redress its injuries, but amounted to generalized grievances.

ICP alleged that HUD's rent-setting policy directly and adversely affected its interests by increasing the amount of time that it must spend to help each client in non-minority-concentrated market areas, reducing the number of units available to its clients in such areas, increasing the amount of money that ICP must spend to help its clients find housing in such areas, and discouraging ICP's clients from choosing units in areas with racially integrated housing because of the costs.

### Court Ruling

Rejecting HUD's argument, the court said other courts have held similar allegations sufficient to establish injury for standing purposes.

The court said it had "little difficulty concluding that an injunction requiring HUD to use small rental housing markets, instead of a large multicounty region, as a ba-

sis for determining FMRs would result in higher rental rates in predominantly Caucasian areas of Dallas, thereby expanding opportunities for low-income African American families to obtain Section 8 housing in those areas." The availability of more housing opportunities would redress the plaintiff's alleged injuries, the court said.

The court also found that plaintiff was not seeking a general injunction, but was asking the court to require HUD to change its process of determining FMRs to give ICP's clients greater access to integrated housing markets. The court held that ICP demonstrated standing to prosecute its claim for injunctive relief.

### **Sovereign Immunity**

HUD also argued that plaintiff's claims under the Administrative Procedure Act (APA) were barred by the doctrine of sovereign immunity because its rent-setting practices are committed to agency discretion by law and ICP has other adequate remedies.

Section 702 of the APA authorizes suits against the United States, but the waiver of sovereign immunity does not apply to agency actions that are committed to agency discretion by law.

HUD argued the U.S. Housing Act was very broad, giving the department discretion to apply its own standards, but ICP claimed the applicable law could be found in the text of the statute, HUD's own regulations, the legislative history, and other agency materials.

After reviewing the statutory language, HUD regulations, and the legislative history, the court concluded that none separately or read together created meaningful standards against which to review HUD's determination of what constitutes a "market area" under the Housing Act.

"Consequently," said the court, "sovereign immunity bars any claims predicated on alleged violations of that statute."

### **Fair Housing Act**

The court reached a different conclusion regarding alleged violations of the Fair Housing Act, 42 U.S.C. Section 3608(e)(5), which imposes an affirmative duty on HUD to administer housing programs to further the policies of the Fair Housing Act.

The court said this claim is similar to claims against HUD that other courts determined were reviewable under the APA.

The court rejected HUD's argument that ICP had other remedies at law. It could not file a suit in the Court of Federal Claims under the Tucker Act, the court said, because it was not seeking monetary damages.

Also, ICP could not bring an action against the Dallas Housing Authority, the court noted, because that agency had no authority to change HUD's rent-setting policies.

The court granted HUD's motion to dismiss for lack of subject matter jurisdiction on the ground of sovereign immunity regarding claims for alleged violations of the U.S. Housing Act, but denied the motion on all other grounds.

### **CONSTRUCTION**

## **Official Abused Discretion in Failing To Justify Use of State Wage Rates For HOME-Funded Housing Project**

The Pennsylvania secretary of labor and industry abused his discretion when he failed to justify his determination that state building construction rates, not federal Davis-Bacon residential rates, applied to a proposed housing project partially funded under the HOME program, ruled the Pennsylvania Commonwealth Court. (*Adams County Interfaith Housing Corporation v. Prevailing Wage Appeals Board*, No. 662 D.C. 2008, 2009 WL 3101406 (Pa. Cmwlth.), September 29, 2009)

Adams County Interfaith Housing Corporation (ACIHC), a private, nonprofit organization that provides affordable housing to low-income persons, requested a pre-determination from the secretary, through the Bureau of Labor Law Compliance, of prevailing wage rates that applied to a renovation of nine or ten units of affordable housing for persons with disabilities. A HOME grant of \$500,000 would finance part of the renovation.

The Bureau notified ACIHC that state rates for the classification of "Building Construction" applied, which would have increased the project's cost by 40 percent. Federal law recognizes four construction classifications (residential, building, heavy, and highway), but Pennsylvania only recognizes three (building, heavy, and highway). Federal law also requires that Davis-Bacon residential rates apply to HOME-assisted construction containing 12 or more units, but is silent regarding projects with fewer units.

The Pennsylvania Prevailing Wage Appeals Board ruled that ACIHC could not file a grievance from the secretary's refusal to promulgate a wage rate classification for residential construction under the Pennsylvania Prevailing Wage Act (Act).

### **Decision Challenged**

On appeal, ACIHC asked the court to determine whether the secretary violated the Act by failing to promulgate residential wage rates; whether the refusal was arbitrary and capricious; whether the refusal violated equal protection, since the secretary applied federal residential rates to other projects based on the same guidelines; whether Davis-Bacon and HOME preempt state law; and whether the Board erred in concluding that ACIHC could not file a grievance.

ACIHC also claimed an equal protection violation. Noting that the Bureau applies Davis-Bacon rates to married-student housing, ACIHC argued that there was no legal basis existed to treat the poor and disabled less favorably than married students.

Citing *Gade v. National Solid Wastes Management Association*, 505 U.S. 88 (1992), ACIHC argued that a state law interfering with federal law must yield to federal law because the state law is an obstacle to achieving congressional goals. ACIHC also claimed that the

## ASSISTED HOUSING

## Changes Proposed to Pending Up-Front Income Verification Rules

HUD has proposed changes to the pending up-front income verification regulations for public and assisted housing that would withdraw provisions relating to the definition of annual income and restrictions on assistance to noncitizens and revise the rules for the disclosure of Social Security numbers.

Final regulations requiring PHAs and multifamily housing owners and management agents to use HUD's Enterprise Income Verification (EIV) system for up-front verification were published on January 27, 2009, and were originally scheduled to go into effect on March 30. (For background, see *Current Developments*, Vol. 37, No. CD-3, p. 82.)

However, the department has delayed the effective date to January 31, 2010. Proposed changes to the final rules were published in the October 15 Federal Register, and comments are due November 16.

### Provisions Withdrawn

The final rules would have amended the documentation requirements in HUD's noncitizens regulations, primarily to conform them to the other regulatory amendments relating to the use of the EIV system.

According to HUD, the regulations weren't aimed at revising the noncitizens requirements, and the department has decided that any such revisions should be the subject of separate rulemaking. Therefore, it has withdrawn the provisions of the final up-front income verification rules for noncitizens.

HUD has also withdrawn the revisions to the definition of annual income that would have added provisions on the use of historical income amounts and made other technical changes. It cited comments expressing uncertainty about the changes, the possibility of statutory revisions in the near future, and the fact that the changes aren't necessary to implement the EIV system.

### Social Security Provisions

The proposed rules would clarify that the Social Security Number (SSN) disclosure requirements in the regulations apply to applicants and participants in public and assisted housing programs, but not to individuals who don't contend that they have eligible immigrant status under the noncitizen regulations.

The proposed rules would also exempt from the disclosure requirements current program participants who are 62 or older as of January 31, 2010, and participants who have previously disclosed a valid SSN, unless they have been issued a new number.

In addition to a valid Social Security card, the disclosure requirements could be satisfied through submission of another original document issued by a federal or state agency that provides the SSN and other identifying information. The proposed rules would also allow HUD to issue administrative instructions providing for other acceptable evidence of an SSN.

### Information for Children

The proposed rules would also revise and clarify the applicability of the SSN disclosure requirements for households adding new members under the age of six.

Because unforeseen circumstances may delay the issuance of a Social Security card to a child under six, the rules would give participants 90 days to provide the SSN.

The administering entity would have to grant an additional 90 days if it determines that the failure to provide the number was due to unforeseeable circumstances outside of the participant's control.

Failure to provide the SSN within the allowable period would result in denial of eligibility or termination of assistance.

### Other Provisions

The provisions on termination or assistance or tenancy would be modified to take into account the possibility that unforeseen circumstances could delay the issuance of an SSN.

Accordingly, the processing entity could defer termination and give the participant an additional 90 days to disclose a valid SSN if the entity determines that failure to comply with the disclosure requirements was due to circumstances that could not have been reasonably foreseen and were outside of the control of the household and that there is a reasonable likelihood that the participant will be able to disclose the SSN by the deadline. Failure to meet the deadline would result in termination.

The final regulations would have given assisted housing owners and management agents an additional six months from the effective date to implement the EIV system. Because of the overall extension of the time for implementation, that deferral would be dropped.

The proposed rules would also make clear that processing entities must use the EIV system in its entirety as a third-party source to verify tenant employment and income information during mandatory reexaminations or recertifications of family composition and income and also to reduce administrative and subsidy payment errors in accordance with HUD administrative guidance.

(For further information, contact Nicole Faison, 202-402-4267, for Office of Public and Indian Housing programs, or Gail Williamson, 202-402-2473, for Office of Housing Programs.)

## PUBLIC HOUSING

## NAHRO Official Sees Continuing Role For Public Housing in National Policy

Public housing is expected to retain an important role in a balanced national housing policy, but the program needs improvements, according to Betsy Martens, senior vice president of the National Association of Housing and Redevelopment Officials (NAHRO).

Martens, who is executive director of Boulder Housing Partners in Colorado, discussed the continuing housing policy debate at NAHRO's recent annual conference in Washington.

profit, and CHA Scholarship Foundation to share educational data on each child to determine academic performance and school attendance. The information-sharing requirement is written into the lease for CHA tenants, and Woodyard said that most but not all families have agreed to this provision.

### Washington State

In its proposed 2010 MTW plan, the Vancouver, Wash., Housing Authority (VHA) has asked for authority to extend the public housing community service requirement to its Section 8 voucher program. Any adult household member working less than 25 hours a week who is able to work would have to participate in community service, work readiness, or educational activities.

Vancouver also plans to extend the Campus of Learners concept, which focuses on the education of children and young adults, to its 150-unit Skyline Crest project. "We want to make it really our flagship community because it is also tied in with a retrofit green grant that we have received," said Ray Johnson, VHA executive director.

Lisa Cippollina-Walters of the Seattle Housing Authority (SHA) said the MTW authority has adopted policies to foster the project-basing of Section 8 vouchers to meet local needs.

In 2007, SHA began allowing 150 project-based vouchers to float within the 23 buildings in the Seattle senior housing program. SHA has a pilot provider-based program which combines supportive services and housing subsidy, especially for formerly homeless households. SHA also provides voucher and public housing assistance in a seamless fashion in developments that operate both programs. In these projects, the subsidy program is generally run according to Section 8 rules, she said.

### SECTION 8

## Tampa Housing Authority Requires Zero-Income Families to Enroll in Family Self-Sufficiency Program

Attempting to make families less dependent on government assistance, the Housing Authority of the City of Tampa, Fla., (HACT) requires adults in the Section 8 program who report zero income, or income only from contributions or child support payments, to enroll in the Family Self-Sufficiency (FSS) program.

Margaret Jones, HACT assisted housing director, noted that while participation in FSS is voluntary and voucher families cannot be terminated for not working or engaging in education or job training, families can be terminated for not attending mandatory Section 8 meetings with staff.

At individual sessions with program participants, staff inquire about their job status and encourage families to participate in FSS after they are enrolled. Jones said the main influence of the FSS requirement is not so much the threat of losing assistance but that Section 8 families know HACT expects them to participate and that their employment status is monitored.

### Impact of Policy

After HACT adopted the mandatory FSS enrollment policy in 2007, the amount of housing assistance payments (HAP) per family showed a downward trend and the number of zero-income families declined, said Jones. She said that soon after it initiated this requirement, HACT was inundated with phone calls from families who had found income and were reporting it. She noted, however, that the recession has had an impact on this trend in recent months, with an increase in the unemployment rate in the Tampa area.

Jones added that many PHAs, including HACT, often see employed clients quit their jobs after getting a voucher because higher income means a higher rent payment, providing a disincentive to continue working.

Jones also said she has found that many HACT clients see Section 8 vouchers as an entitlement program rather than temporary assistance.

By adopting the FSS requirement, "we wanted to change the mindset of our families," said Jones. "Families become accustomed to the (Section 8) program and learn behaviors that keep them poor. We want to change that."

### FSS Teamwork

HACT takes the same approach as the temporary assistance for needy families (TANF) program, which requires work or educational activities, said Jones. HACT follows the TANF model by partnering with other community agencies that can provide counseling, employment, training, and other services.

In the five-year FSS program, families receive life skills and empowerment coaching. Families are asked to define goals that will result in employment or education, and progress is monitored until adults find employment. A neighborhood service center provides help with job searches and offers assistance to overcome barriers to employment, such as a lack of transportation or child care.

The FSS program encourages families who have only lived in the present to plan for the future, said Jones. "We often ask our families what are they going to do if their Section 8 assistance ends or a time limit is put on the program," she said. In a program with 3,500 vouchers, HACT must terminate assistance to about 50 families a month for various reasons, said Jones.

Jones noted that she gets calls from women with children who ask for a reprieve so they can stay in the program. "At that point it's too late for me to help them," she said. "They haven't planned for the future."

Jones said tenant income gains through the FSS requirement have helped HACT by freeing up housing assistance and utility allowance funds that can be used to help additional families. In 2007, the first year of the requirement, 140 families reported zero or near-zero income, but 41 percent gained income within four months after the requirement was implemented. In 2008, 71 families reported zero or near-zero income, with 35 percent gaining income during the year. As of October, 29 families are in the zero or near-zero group, and 41 percent have gained income.

Jones said the FSS requirement is also expected to help



in controlling fraud by voucher families who have income but don't report it.

#### MORTGAGE FINANCE

### Commercial Real Estate Loans Pose Risks for Banks, FDIC Head Says

Commercial real estate (CRE) loans are the leading area of risk over the next several quarters for federally insured depository institutions, according to Sheila C. Bair, chairman of the Federal Deposit Insurance Corporation (FDIC).

Bair discussed the outlook for the banking industry at an October 14 hearing of the Senate financial institutions subcommittee.

"The deep recession, in combination with ongoing credit market disruptions for market-based CRE financing, has made this a particularly challenging environment for commercial real estate," Bair said.

The loss of over seven million jobs in the recession has reduced the demand for office space and other commercial property, Bair noted, resulting in pressure on rents, rising vacancy rates, a sharp rise in capitalization rates, and lower property values.

In addition, the collapse in the issuance of commercial mortgage-backed securities (CMBS) has made financing harder to get, Bair said.

"Large volumes of CRE loans are scheduled to roll over in coming quarters, and falling property prices will make it more difficult for some borrowers to renew their financing," she said.

### Commercial Real Estate Loans

As of the end of June, FDIC-insured institutions held almost \$1.1 trillion of commercial real estate loans backed by nonfarm, nonresidential properties, or 14.2 percent of their total loans and leases.

Outside of construction loans, losses on CRE loans have been modest so far, according to Bair, with net charge-offs totaling only \$6.2 billion over the past two years.

"Over this period, however, the noncurrent loan ratio in this category has quadrupled, and we expect it to rise further as more CRE loans come due over the next few years," she said. "The ultimate scale of losses in the CRE loan portfolio will very much depend on the pace of recovery in the U.S. economy and financial markets during that time."

### Guidance on Workouts

Bair said the federal banking agencies will soon issue guidance on CRE loan workouts.

"The agencies recognize that lenders and borrowers face challenging credit conditions due to the economic downturn and are frequently dealing with diminished cash flows and depreciating collateral values," she explained. "Prudent loan workouts are often in the best interest of financial institutions and borrowers, particularly during difficult economic circumstances and constrained credit availability."

Bair said the workout guidance will reflect the current conditions and support "prudent and pragmatic credit and business decision-making within the framework of financial accuracy, transparency, and timely loss recognition."

unified whole and decide, within guidelines, the best uses of their funding for their communities."

PHAs in MTW are required to house "substantially" the same number of families as they housed before they were awarded MTW status, with 75 percent being extremely low-income, PHADA said, adding that "the MTW agencies, even though some may be leasing fewer vouchers as a whole, are in compliance with this program requirement."

### Housing Transformation

PHADA said that some of the worst public housing, notably in Atlanta and Chicago, has been transformed through MTW by the use of Section 8 funds for modernization and redevelopment. "Many families have been served in fashions other than tenant-based development," said PHADA. "Furthermore, the money spent on development is not necessarily a permanent phenomenon."

The Chicago Housing Authority, for example, is leasing 12,000 fewer vouchers than its level of funding would support — about half the total vouchers CBPP identified as not being leased — but once its Plan for Transformation is completed, it should have both a viable public housing program and a fully leased tenant-based program, said PHADA.

MTW status also allows PHAs in high-rent areas to increase their payment standards to make vouchers viable in their market, PHADA said. "A number of MTW agencies have increased voucher usage, so it is critical to understand voucher utilization agency-by-agency," PHADA said.

### Rent Reforms Tested

CBPP said that the deregulation allowed in MTW poses a significant risk to low-income families, especially in the form of potential rent increases or time limits on assistance, and estimated that HIP would expose 750,000 families to these risks.

However, PHADA said there is little evidence that rent policies have hurt low-income families, pointing to an Urban Institute evaluation report as support for its view.

"MTW is a transformative program that has been undertaken responsibly by housing authorities without extensive harm to residents," PHADA stated. "PHADA firmly supports this expansion so that additional agencies can have access to a model that has proven its worth, and which, with additional research, may eventually have the potential to become the standard format for providing housing assistance in the United States."

### ASSISTED HOUSING

## HUD to Propose Rule Banning Discrimination on Basis of Sexual Orientation, Gender Identity

HUD is drafting a proposed rule to ban discrimination on the basis of sexual orientation or gender identity in the department's core housing programs, according to Secretary Shaun Donovan.

"The evidence is clear that some are denied the opportunity to make housing choices in our nation based on who they are, and that must end," Donovan said. "President Obama and I are determined that a qualified individual and family will not be denied housing choice based on sexual orientation or general identity."

The proposed regulation would clarify that the term "family" as used to describe eligible participants in the public housing and Section 8 housing choice voucher programs includes otherwise eligible lesbian, gay, bisexual, and transgender (LGBT) individuals and couples.

The rule would also require grantees and other participants in HUD programs to comply with state and local nondiscrimination laws covering sexual orientation or gender identity. In addition, it would make clear that any FHA-insured mortgage must be based on the creditworthiness of the borrower and not on such unrelated factors as sexual orientation or gender identity.

HUD will also commission the first national study of discrimination against members of the LGBT community in the sale or rental of housing.

### AFFORDABLE HOUSING

## San Diego Housing Commission Approves Plan to Expand Portfolio, Acquiring Multifamily Rentals

The San Diego Housing Commission (SDHC) board has approved a financing plan which initially will raise \$102 million through debt secured by its former public housing portfolio to acquire an additional 1,035 affordable multifamily units during the next two to three years.

The SDHC plans to use Build America Bonds (BABs) combined with FHA mortgage insurance and the Fannie Mae multifamily mortgage program combined with low-income housing tax credits to finance the acquisition of properties in two phases. The financial adviser for the plan is NorthMarq Realty Services, Inc. and the plan was analyzed by Keyser Marston Associates.

In the first phase of the plan, the SDHC will acquire 915 rental units using 100 percent cash, thereby allowing the commission to place mortgages on the units to finance the second-phase acquisition of 120 additional units.

"We are entering a new era in the way affordable housing is generated by San Diego's 30-year-old housing commission," said Richard C. Gentry, SDHC chief executive officer. "We're using entrepreneurial real estate methods and taking advantage of depressed property values to substantially increase our city's supply of affordable housing."

### Housing Portfolio

In September 2007, the SDHC received HUD approval to transition out of the public housing program and to own and operate the 1,371 units which carried no debt. Each tenant was issued a Section 8 voucher, and the SDHC has continued to rent the housing to low-income families. The portfolio has an estimated value of \$141 million,

and the SDHC plans to use \$102 million of this equity to secure the debt financing. About 1,254 rental units will carry mortgage debt.

The SDHC financing plan will encumber all properties with five or more units in two separate groups, one with FHA Section 221(d)(4) or Section 223(f) mortgages, and one with Fannie Mae conventional mortgages. The Fannie Mae financing, which typically has a 10-year term, will be used to acquire properties that do not qualify for BABs or tax-exempt bonds, such as public-private partnerships and ground lease deals.

The FHA financing will cover about 60 percent of the former public housing units and will be structured for BABs eligibility. The BABs program provides a 35 percent rebate on the interest SDHC pays on taxable debt issued to acquire affordable housing. Proceeds from the BABs-qualified FHA financing will be used to acquire affordable housing properties that are owned by SDHC, entities it controls, or in partnership with other public entities, or that qualify for tax-exempt financing.

### Additional Properties

All of the new acquisitions will provide housing to families at or below 80 percent of the area median income at initial occupancy.

The initial acquisitions will create additional funds for the second phase after the first properties achieve stabilized occupancy. Each of the first group of properties will secure a new long-term loan which also may qualify for BABs if it can be financed by the sunset date of December 31, 2010.

The first-phase acquisitions are being underwritten with a 70 to 75 percent loan-to-value ratio and debt service coverage of 1.67. Annual debt service is estimated at \$7.7 million, and the mortgaged portfolio is expected to generate positive cash flow of \$3.4 million. The BABs rebate is estimated at \$1.3 million, and the interest rate on the bonds is expected to be 6.0 to 6.25 percent.

### SECTION 8

## HUD Administrative Fee Study To Examine Well-Run Programs For New Allocation Formula

HUD has issued a draft research plan for a study to determine how much it costs a PHA to run an efficient Section 8 voucher program in order to develop a formula for allocating funds for administrative fees. HUD said it intends to issue a four-year contract for the study.

In recent years, Section 8 administrative fees have been calculated according to specific provisions in appropriations acts. In fiscal 2004, a flat administrative fee was established based on the amount each PHA was eligible to receive in 2003. A PHA received the stipulated fee amount whether its leasing rate increased or decreased.

In fiscal years 2005 through 2007, the fee calculation was based on the PHA's previous year's eligible amount. In fiscal 2008, the fee was based on the method used before 1998, which includes special fees.

### Scope of Study

In addition to determining costs, the study will examine the realistic expectations of a PHA that runs an efficient program and whether there are any variations in costs across efficient PHAs.

The study will also look at the reasons for any variation in cost and the minimum size of a financially feasible Section 8 program. Another question is the appropriate costs and fees for Family Self-Sufficiency coordinators.

Referring to previous studies, HUD said there are many factors that affect administrative expenses, including the size of a PHA and the geographic extent of its jurisdiction. Staffing approaches, such as the mix of generalists and specialists, can also affect costs. PHAs can also institute discretionary policies for local programs that can lower or increase program costs.

### Two Approaches

HUD's draft scope of work proposes two methods to determine costs and fees. The first approach would focus on recording time and motion data for a random sample of about 1,000 current and new voucher recipients from a selected sample of 15 to 20 PHAs during the course of one year.

The unit of analysis would be the time staff spend working on each of the recipients' cases. Data would be collected to determine a link between activities and time spent on Section 8 recipients and any resulting housing or other program results.

The second approach would focus on all tasks completed in two sample months at the selected PHAs for all Section 8 recipients processed. The contractor would collect data on all tasks during the two months and extrapolate to a full year, calculating the number of times PHA staff perform each program activity during the course of the year.

The contractor is expected to apply the local labor cost rates to the time spent on tasks to arrive at an estimate of how much it costs PHAs to run an efficient program. HUD said it expects labor to be the primary administrative cost, but also wants the contractor to collect information on other variable costs and on fixed costs. HUD said it will structure the contract to pay each participating PHA up to \$10,000, depending on its effort, for participation in the study and for conducting data entry.

### TAXATION

## House Approves Waiver of Home Buyer Tax Credit Recapture for Members of Armed Forces, Others

The House has passed legislation (H.R. 3590) modifying the first-time home buyer tax credit for members of the armed forces, members of the Foreign Service, and employees of the intelligence community.

The House approved the bill, 416-0, on October 8.

The legislation provides for a waiver of the credit recapture requirement for qualified individuals who sell

# Housing Affairs Letter

THE INDEPENDENT WEEKLY WASHINGTON REPORT ON HOUSING

Housing Affairs Letter Stories posted week of 10/24/09 - 10/30/09

## **(HUMAN RIGHTS) United Nations Studying U.S. Housing**

A special investigator from Brazil will tour New York City and six other cities to determine for the United Nations Human Rights Council whether the United States is violating human rights by failing to provide affordable housing.

Raquel Rolnik, a university professor of urban planning in Sao Paulo, where massive slums fester, will survey housing conditions in Chicago, New Orleans, Los Angeles, Washington, DC, Wilkes-Barre, PA, and a South Dakota Indian reservation before reporting to the UN General Assembly in March.

Rolnik was appointed as special rapporteur by the Human Rights Council in May 2008, and the United States survey is her first official mission.

10/30/2009 12:03 PM

### **Assisted Housing**

## **(PROTEST) City On Cusp Of Upheaval**

Huntsville, AL residents are furious over plans by the Huntsville Housing Authority (HHA) to buy houses in middle-class single-family communities and convert them to public housing. Homeowners in south Huntsville have organized petition drives to press HHA to abandon the initiative.

HHA has purchased seven single-family homes under the umbrella of the federal Neighborhood Stabilization Program and plans to purchase two more foreclosed houses located in south Huntsville.

HHA has \$2 million of NSP appropriations to buy and resell foreclosed homes while the city and Habitat for Humanity have \$1 million each for the same purpose. HHA repairs and sells foreclosed homes to qualified buyers, such as returning veterans, hurricane evacuees or people earning no more than 120% of the Huntsville median income, which is about \$80,000 for a family of four.

Residents of communities trying to block the initiative complain that it will diminish property values. The groups paid for an advertisement in the *Huntsville Times* declaring that "Public Housing Is Coming To Your Neighborhood." The ad was paid for by the South Huntsville Civic Assn.

The flap erupted in south Huntsville after the HHA purchased an apartment

complex in the area in February and converted it to public housing, making it the first such housing in the area.

The HHA move is part of the agency's attempt to demolish old public housing in the city's core and scatter tenants throughout the city. A 72-unit public housing complex will be razed to make way for cottages, duplexes and townhomes as a mixed-income community that no longer would be public housing.

10/30/2009 11:47 AM

### **(VOUCHERS) Landlords Clamor For Sec. 8**

A rental listing service for Sec. 8 project voucher landlords shows the number of landlords seeking Sec. 8 tenants increased by 18% this year. GoSection8.com's Housing Voucher Participation Index (HVPI), which serves public housing authorities as well, shows the largest increase was in the California housing markets.

The Boca Raton, FL-based rental listing service, which also includes the Affordable Housing Participation Index, promoted itself as a reliable barometer of national landlord interest in Sec. 8 housing. Officials claim landlords seek voucher tenants because the program offers guaranteed, stable rent payments at market price.

**Info:** <http://www.gosection8.com/>

10/30/2009 12:10 PM

# NAHRO Monitor: October 31, 2009

## ***HUD Ramps up Section 3 Enforcement***

HUD recently announced that it is stepping up enforcement of Section 3 requirements. Section 3 of the Housing and Urban Development Act of 1968 requires recipients of certain forms of HUD funding to extend training, employment and other economic opportunities to low- and very-low income persons.

In an October 14 press release (<http://tinyurl.com/sec3-pr>), HUD announced that it recently transmitted letters to more than 3,000 state and local agencies, including public housing agencies (PHAs), that have not yet met calendar year Section 3 reporting obligations for the 2008 reporting period. Those agencies contacted by HUD must submit Form HUD-60002 no later than Nov. 30 to prevent an official finding of noncompliance. Reports can be submitted electronically through HUD's website at [www.hud.gov/section3](http://www.hud.gov/section3).

A sample copy of the letter sent to PHAs can be found at [www.nahro.org/members/news/2009/sec3\\_pha.pdf](http://www.nahro.org/members/news/2009/sec3_pha.pdf), while the letter sent to CPD grantees can be found at [www.nahro.org/members/news/2009/sec3\\_cpd.pdf](http://www.nahro.org/members/news/2009/sec3_cpd.pdf). In its press release, HUD describes the issuance of these letters as "one of the first in a series of steps to more aggressively enforce Section 3 hiring and contracting requirements." HUD officials have previously informed NAHRO that the Department is working to develop revised regulations that will reflect the current administration's commitment to the aggressive enforcement of Section 3 requirements.

Section 3 employment and contracting requirements apply to PHAs' Operating and Capital Fund resources regardless of agency size or number of units. Section 3 requirements also apply to recipients of certain other forms of HUD funding that invest \$200,000 or more into projects/activities involving housing construction, rehabilitation or other public construction. Covered programs include but are not limited to HOPE VI, the Community Development Block Grant program, the Home Investment Partnerships program, the Brownfields Economic Development Initiative, Continuum of Care Homeless Assistance programs, Housing Opportunities for Persons with AIDS, Section 202 Supportive Housing for the Elderly, Section 811 Supportive Housing for Persons with Disabilities, and many of the HUD programs funded through the American Recovery and Reinvestment

Act of 2009. So-called "Section 8 only" housing authorities that do not utilize covered forms of HUD funding, including public housing funding, are exempt from Section 3 requirements.

Compliance with Section 3 requirements involves meeting, "to the maximum extent feasible," minimum numerical hiring and contracting goals set forth in regulation. Recipients of covered HUD funding that fail to meet these numerical goals must demonstrate why it was not possible to do so. According to HUD, "such justifications should describe the efforts that were taken, barriers encountered, and other relevant information that will allow the Department to make a determination regarding compliance."

HUD's online Section 3 reporting guidance for PHAs (available online at [www.hud.gov/offices/fheo/section3/Sec3-Reporting-Guidance-pih-v2.pdf](http://www.hud.gov/offices/fheo/section3/Sec3-Reporting-Guidance-pih-v2.pdf)) states that Form HUD-60002 should indicate the following:

- The total dollar amount of HUD funding that was received by the PHA during the specified reporting period.
- The total number of new employees that were hired by the PHA or its contractors, subcontractors, and subrecipients.
- The amount of new employees that were hired by the PHA or its contractors, subcontractors, and subrecipients, that met the definition of a Section 3 resident.
- The total number of man hours worked on covered projects (optional).
- The aggregate number of hours worked by Section 3 residents on covered projects (optional).
- The total number of Section 3 residents that participated in training opportunities that were made available by the PHA, its contractors, subrecipients, or other local community resource agencies.
- The total dollar amount of construction and/or non-construction contracts (or subcontracts) that were awarded with HUD funding received by the PHA.
- The dollar amount of the PHA's construction or non-construction contracts (or subcontracts) that were awarded to Section 3 business concerns.
- Detailed narrative descriptions of the specific actions that were taken by the PHA, covered contractors, subcontractors, subrecipients, or others to comply with the requirements of Section 3 and/or meet the minimum numerical goals for employment and contracting opportunities.

The guidance reminds PHAs that they must submit a separate Form HUD-60002 for each type of covered financial assistance (e.g., separate reports must be submitted for Operating Subsidies and Capital funding).

Please contact Jeff Falcusan, NAHRO's Director of Policy and Program Development (ext. 7212), with any questions. Also, NAHRO has scheduled an e-Briefing on Section 3 compliance for November 12. Additional details are coming soon and will be provided through our homepage at [www.nahro.org](http://www.nahro.org).



referral, which "is plainly a particularized injury and the very injury pressed here."

The court also ruled that the filed rate doctrine was inapplicable because plaintiffs challenged Countrywide's allegedly wrongful conduct, not the reasonableness or propriety of the rate that triggered the conduct.

The court reversed the ruling of the district court.

#### PUBLIC HOUSING

### Tenants Have No Private Right of Action to Enforce Maintenance Code

There is no private right action to compel the New York City Housing Authority (NYCHA) to enforce the city's Housing Maintenance Code, the New York Supreme Court, Appellate Division, First Department, ruled. (*Delgado v. New York City Housing Authority*, 2009 WL 3461748 (N.Y.A.D. 1 Dept.), October 29, 2009)

Public housing residents and a labor union representing painters and painting supervisors employed by the NYCHA sought a judgment compelling the authority to comply with the code requirements that it repaint apartments every three years — which the NYCHA acknowledged failing to do — and repaint or recover surfaces in the public areas of housing projects when necessary to keep them sanitary.

The plaintiffs also sought to enjoin the authority from restructuring its procedures for painting apartments to eliminate most paint supervisor positions, reassign supervisors to painter positions, and shift supervisory responsibility to housing development managers responsible for oversight of other contractors.

#### Court Ruling

In refusing to order the NYCHA to comply with the code requirements for painting, the court said that under the city charter and Administrative Code, only the commissioner of the New York City Department of Housing Preservation and Development (HPD) is authorized to seek such relief or other sanctions for violations of the Housing Maintenance Code.

The court also found that the plaintiffs could not enforce the code through 42 U.S.C. Section 1983 because compliance with a housing code is not an unambiguously confirmed right secured by the force of federal law or the U.S. Constitution.

Specifically, the court said, the U.S. Housing Act of 1937, which obligates PHAs to maintain housing projects in a decent, safe, and sanitary manner, does not create a right to proper maintenance that is enforceable under Section 1983.

The court also rejected the request for injunctive relief to block the restructuring of the painting procedures, finding no merit to the claim that assigning housing development managers to supervise painters violated the ban in Civil Service Law Section 61(2) on assigning civil servants to out-of-title work.

"Such supervisory work clearly falls within the official statement of duties attending the positions of housing managers and building superintendents," the court said.

#### FAIR HOUSING

### Plaintiff Must Identify Disability To Pursue Claim of Discrimination

The U.S. District Court for the Northern District of Oklahoma ruled that a plaintiff must identify his disability, despite the sensitive nature of the medical condition, to state a claim of disability discrimination in housing. (*Davenport v. Sugar Mountain Retreat, Inc.*, No. 09-CV-0535-CVE-TLW, 2009WL 3415240 (N.D. Okla.), October 16, 2009)

Plaintiff Judd Davenport lived at Sugar Mountain Retreat, a residential care facility for mentally disabled or handicapped persons. He claimed he has a mental impairment and a "particularly private and sensitive medical condition" that also causes him to be disabled.

Plaintiff did disclose his sensitive medical condition to the owners and managers of Sugar Mountain and requested confidentiality. The managers informed Davenport that a person with his condition could not reside at Sugar Mountain, evicted him, and told others about his condition without his consent.

Davenport brought a lawsuit alleging claims under the Americans with Disabilities Act (ADA), the Fair Housing Act FHA, and state law. He sought compensatory damages, punitive damages, and injunctive relief.

#### Determination of Disability

Defendant moved to dismiss plaintiff's complaint because he failed to allege sufficient facts to enable the court to determine whether he is disabled under federal law. Plaintiff acknowledged that he did not provide specific information about his alleged disability, but asked to file a sealed amended complaint or proceed under a pseudonym to protect his privacy.

Plaintiff alleged that his mental disability is one recognized under state law, but the court said plaintiff filed this suit in federal court and must meet the requirements of federal law in stating his disability.

The court found that plaintiff failed to allege sufficient facts to state a claim of disability discrimination. Without more information, the court said it could not determine whether plaintiff had a disability under the ADA or the Fair Housing Act.

#### Court Ruling

The court refused to allow plaintiff to file an amendment under seal or to file using a pseudonym to protect his privacy.

"For sound reasons, a plaintiff is not permitted to proceed with a case unless he is willing to give up some of his privacy," said the court. "This protects the defendant and the public from abuse of the judicial system, and it is reasonable to expect the person invoking the court's jurisdiction to set aside some of his privacy."

The court noted other statutes that require a plaintiff to give up his privacy and disclose information that he might prefer to keep confidential in order to receive a federal benefit. The court did not accept the plaintiff's general claim of a right to privacy as sufficient to set

aside the requirement of notice pleading under Federal Rules of Civil Procedure.

The court granted defendant's motion to dismiss and gave plaintiff time to file an amended complaint to state his disability.



#### FAIR HOUSING

### Eviction of Disabled Tenant for Not Meeting Housekeeping Standards In Lease Didn't Violate ADA

A housing authority did not violate the Americans with Disabilities Act (ADA) when it evicted a disabled tenant for violating housekeeping standards in his lease, ruled the Indiana Court of Appeals. (*Jones v. Housing Authority of the City of South Bend*, No. 71A03-0902-CV-84, 2009 WL 3415297 (Ind. App.), October 23, 2009)

During Dewayne Jones' public housing tenancy with the Housing Authority of South Bend (HASB), he failed to meet the housekeeping standards in his lease. Responding to a fire in Jones' apartment caused by cigarette butts, HASB personnel found the unit to be dirty and unsanitary and issued a notice of termination. Jones did not file a timely grievance with HASB, and the authority refused to accept subsequent rent payments.

The trial court entered judgment for HASB on its claim to evict Jones and against Jones on his counterclaim of disability under the ADA and the Rehabilitation Act of 1973.

On appeal, Jones claimed that HASB violated both the ADA and the Rehabilitation Act. Although the statutes are slightly different, the court said that the standards under the ADA for state and local government services are generally the same as those required under the Rehabilitation Act.

#### Elements of Claim

To establish a prima facie claim of discrimination under the two acts, Jones must show he is disabled, he is otherwise qualified to participate in the benefits sought, he was excluded from participation solely because of his disability, and the housing from which he was evicted was provided by a program receiving federal assistance.

If Jones meets all these requirements, the burden shifts to HASB to show that it provided an effective accommodation to his disability or that Jones sought an accommodation which would have caused HASB an undue financial or administrative burden or would have resulted in a fundamental alteration of HASB's policies.

The court agreed with the trial court that Jones is disabled, finding that he has many physical illnesses that limit his major life activities. The court noted, however, that while the ability to care for oneself, including cleaning one's home, is a major life activity, Jones did not attribute his dirty apartment to his physical impairments and never sought an accommodation due to his disability.

#### Court Ruling

The court found that Jones was not qualified to partici-

pate in public housing, and HASB did not evict him because of his disability. Jones violated his lease by repeatedly failing inspections of his apartment, the court explained, and the termination notice specifically stated that HASB was evicting him because of the deplorable conditions in this apartment. Therefore, the court said, Jones did not establish a prima facie case of discrimination under the ADA.

The court pointed out that Jones never claimed that his disability prevented him from keeping his apartment clean. Instead, he stated that he did not know how to clean and did not like the smell of cleaning products, and there was no evidence that he had a mental impairment that prevented him from learning how to clean.

At trial, Jones' attorney expressed a personal belief that Jones refused to ask for help cleaning his apartment because he had an unrealistic desire not to be considered handicapped. The court sympathized with Jones, but said that it could not overturn the trial court's decision, which was based on the evidence.

Jones also argued that HASB denied him his due process rights when it refused to conduct a grievance hearing (he filed appeal of his eviction one day late). The court said that HUD regulations require notice and an opportunity for a hearing, which Jones received. In addition, the court found that trial and appeal proceedings afforded Jones adequate due process to put forward his claims.

The court affirmed the trial court's ruling.

### Courts in Brief

\* **The sister of a deceased public housing tenant was not entitled to succeed to his tenancy** as a remaining family member, the New York Supreme Court, Appellate Division, Second Department, ruled. (*Oglesby v. New York City Housing Authority*, 2008-07967 (Index No. 23307/07), 2009 WL 3381700 (N.Y.A.D. 2 Dept), October 20, 2009)

The court upheld the New York City Housing Authority's determination that the sister did not qualify as a remaining family member because she had not received the authority's permission to move into the unit and had not lived there for one year prior to the tenant's death.

• **The city of Kansas City, Mo., failed to state a claim for discriminatory practices under the Fair Housing Act** in its challenge to an apartment complex's curfew for residents under the age of 18, the U.S. District Court for the Western District of Missouri, Western Division, ruled. (*Kansas City, Mo., City of, v. Yarco Company, Inc.*, No. 09-0510-CV-W-GAF, 2009 WL 3379096 (W.D.Mo.), October 19, 2009)

The court held that the city failed to show that the defendants had an intent to discriminate, rather than a parallel non-discriminatory reason for adopting the curfew, such as a legitimate desire to reduce juvenile crime and protect children.

• **A disabled condominium owner has a cause of action against the condominium association** under the Dela-

NOV 13, 2009

## Festival Celebrates Community Garden

By Shereen Oca  
Staff Writer

Published: Friday, November 13, 2009 12:18 PM PST

For the past 13 years, a seven-acre community garden and farm has quietly flourished in North Long Beach.

At the Growing Experience, located within the Carmelitos Housing Development, a variety of vegetables grow in 60 individual raised plots. California native and drought-tolerant plants thrive in an environment designed to promote water conservation, and a mini "eco farm," replete with 20 chickens, yields eggs and seasonal produce, which is sold to residents and area restaurants.

This Thursday, a fall Harvest Festival will act as an unofficial community debut for the Growing Experience, and area companies dedicated to sourcing locally and sustainably grown food, including beachgreens and Primal Alchemy Catering, among others, have signed on to show their support.

"Hopefully, it will be our first annual one," said Jimmy Ng, project manager for the Growing Experience. "Ideally, we'd like to do it every season to showcase the different produce growing throughout the year."

In 1996, the Housing Authority of Los Angeles County and the University of California Cooperative Extension teamed up to transform a vacant lot into a community garden. And despite its urban setting, the Growing Experience has thrived, providing the low-income residents of Carmelitos with access to sustainable, nutritious food and job training in green gardening methods and landscape practices.

"The residents, at first, weren't used to seeing this type of amenity in a public housing site," Ng said. "Once they came to the garden and took ownership — gathering, socializing — it felt like they were part of the community."

As the sense of ownership and pride spread, Ng said vandalism on the site decreased drastically.

"I think the community and the neighborhood has improved over the years we've been here," he added.

For many of the residents at Carmelitos, the garden has put them in a direct relationship with the land from which their food comes. It's given them an opportunity to grow nutritious food without pesticides or fertilizers.

"I think a lot of kids aren't used to seeing food growing," Ng said. "It's a good way to get them into healthier food... I really enjoy having kids and youth groups go through the garden, seeing how fascinated they are with the local produce growing."

Recently, produce from the farm — where beets, arugula, cabbage and salad mix currently grow — has been made available to area restaurants like McKenna's on the Bay, the Factory and Delius as well as local companies like Primal Alchemy Catering and beachgreens. The revenue generated from such sales supports the Growing Experience program and purchases supplies, plants and seeds.

Beachgreens, which is co-hosting the Harvest Festival with the Growing Experience, delivers organic and sustainably grown produce to residents in the Long Beach area. Owner Aliye Aydin previously worked for a company in Seattle that offered the same type of service, and when

she moved back to Long Beach — the city where she grew up — she said the community seemed in need of something similar. So, she started beachgreens in July 2007.

Aydin was right. Over the past two years, the beachgreens clientele has grown from five customers to 120 as more and more people took notice of the importance of locally and sustainably grown food.

"I think people are coming to realize that's the way we are going to eat in the future," Aydin said. "It's not a fad. It's common sense."

Chef Paul Buchanan of Long Beach-based Primal Alchemy Catering echoed that sentiment, saying more chefs are becoming aware of the positive impact they can make by cooking with local and seasonal produce and humanely raised animals.

"The whole idea of farm to table, not just with vegetables but pigs, lamb and beef, is growing rapidly in the chef arena," Buchanan said. "We're definitely in support of it."

Buchanan frequents farmers markets often. He visited the market by Marine Stadium last Wednesday, checking out this season's offerings, which includes persimmons and Fuji apples.

"I come here, and it's your inspiration," he said. "Luckily as a caterer, my clients trust me to bring the best food possible. And this is it: local and sustainable."

Buchanan will join Chef Michael Poompan of the Renaissance Long Beach Hotel and Justina Fenton and Keith Russell of Shortnin' Bread at the Harvest Festival Thursday. Buchanan will serve Japanese pumpkin soup with smoked maple whipped cream and pepitas and grilled Brie sandwiches with white truffle oil on seeded sourdough.

The fall Harvest Festival will take place from 3 to 6 p.m. Thursday, Nov. 19, at the Growing Experience, off Del Amo Boulevard and Atlantic Avenue at 750 E. Via Carmelitos. Admission is free.

There will be seed planting demonstrations, live music, farm tours, scarecrow building, free food, drink and more.

For more information about the event, visit [www.beachgreens.com/fallfest.htm](http://www.beachgreens.com/fallfest.htm).

# Deputies: ID thefts busted

## Section 8 renter among 3 arrested

*This story appeared in the Antelope Valley Press  
Wednesday, November 18, 2009.*

**By DAISY RATZLAFF**  
**Valley Press Staff Writer**

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LANCASTER - A Section 8 subsidy recipient was arrested Tuesday after deputies searching her five-bedroom, four-bath rental home discovered cardboard boxes full of identification information for more than 30 Palmdale and Lancaster residents.

The boxes contained tax returns, credit card numbers, Social Security numbers and birth dates, plus stolen mail, a credit card encoding machine and equipment to make credit cards, said Detective Jeff Williams of Lancaster's Burglary Suppression Team.

The team's deputies obtained a search warrant for the home in the 3200 block of West Avenue K-1 after an investigation that started with the theft of a wallet that had been left at a Home Depot store's self-checkout lane, Williams said.

After reviewing store surveillance tape, sheriff's detectives identified two women, one of whom walked up to the counter and grabbed the wallet, then handed it to a second woman, who immediately left the store. The wallet's owner had realized it was missing and returned about five minutes later, but it was already gone, Williams said.

"The first person, however, actually made a purchase with her own credit card. So we found that transaction, followed it back and figured out who she was and tied her to the video," Williams said. "We obtained a search warrant to retrieve the victim's wallet and his credit cards. We found the victim's identification and credit cards and in addition a minimum of 30-plus victims of identity theft inside the house."

Deputies arrested Sharon Rannels, 45, the home's renter, and Anita Hayes, 45, an unauthorized housemate, on suspicion of numerous counts of identity theft, grand theft and perjury.

Deputies also arrested Brittian Simmons, 20, another unauthorized tenant, on suspicion of possession of counterfeit U.S. currency.

All were transported and booked at Lancaster Sheriff's Station.

Authorities said Rannels had been receiving Section 8 aid for about 10 years and just moved two months ago from Palmdale to the Lancaster home.

Deputies said Rannels paid about \$486 a month for her 3,000-square-foot home, while the Los Angeles County Housing Authority paid \$1,200.

"The house is furnished better than my home," said Williams, who added that Rannels owns two sets of matching \$1,200 washers and dryers.

A half-dozen deputies searched the house and discovered the identity profiles throughout the house and the garage. Systematically going through the paperwork, deputies discovered checkbooks from numerous individuals, folders containing tax and insurance documents and other items.

Detectives said the tax returns could have been obtained in a number of ways, such as searching through trash cans or burglary of a business, or they could have been obtained by someone who worked for a tax business at one point.

Section 8 is a federally funded housing assistance program that allows renters to pay 30% of their income toward housing, with a government voucher covering the rest. The program is administered by the Housing Authority of Los Angeles County.

Under the program, recipients cannot have any violent criminal or drug-related activity, which includes the manufacturing, dispensation, distribution, sale or use of possession of illegal drugs within the last three years. They also cannot have unauthorized tenants.

Housing Authority investigators are in the process of revoking the woman's Section 8 voucher, a deputy said.

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# Housing Affairs Letter

THE INDEPENDENT WEEKLY WASHINGTON REPORT ON HOUSING

Housing Affairs Letter Stories posted week of 11/14/09 - 11/20/09

## Assisted Housing

### **(CONDOMINIUMS) Sec. 8 Move Irks Condo Owners**

A move by the Greensboro Housing Authority (GHA) in North Carolina to take control of a condominium complex angers owners in the 24-unit, two-building development. Individual buyers purchased 10 of the units before GHA stepped in and purchased the 14 remaining apartments to rent to Sec. 8 tenants.

The move by GHA, unannounced until the agency posted notices on the condo owners' doors, gives the housing authority control of the condo association's activities.

Present owners, in what is considered an upscale development in Greensboro, fear their property values will plunge under the GHA plan. They contend the GHA takeover will make it difficult to obtain market-rate prices for their units, thereby forcing them to sell to GHA if they want to move.

GHA says it plans to begin housing the first Sec. 8 tenants before the end of November. A GHA letter to the condo owners says the present homeowners association firm will remain in place for 90 days while the housing agency maps its takeover plans.

11/20/2009 12:37 PM

### **(SEC. 8) Dead Sec. 8 Tenants Get \$7 Million**

Faced with allegations that it continued sending Sec. 8 checks to landlords long after tenants died, HUD is urged by the department's inspector general (IG) to improve monitoring of agencies receiving Sec. 8 subsidies. The IG estimated HUD paid about \$7 million to house dead tenants. Investigators determined that local agencies participating in the Sec. 8 housing voucher tenant-based program failed to update their actions in response to a HUD memorandum issued Jan. 7, 2008 asking them to identify deceased tenants.

While HUD made an attempt at such identification, the IG says HUD failed to monitor the agencies' actions in response. "This would include whether the agencies received reimbursement for ineligible rental assistance payments made for deceased tenants and whether they corrected information submitted to HUD," the report says.

But HUD did not keep documents in support of its memorandum and therefore couldn't monitor responses. A Feb. 11, 2009 Enterprise Income Verification (EIV) final report on deceased tenants issued as part of the January 2008 memorandum, and an analysis of the Public & Indian Housing Information Center (PIC) system data, shows \$7 million

in questionable payments were made to deceased tenants in single-member homes. Agencies did not update the family composition information, which led to incorrect PIC information.

The 2008 HUD memorandum notified agencies of the deceased tenants' report, the final tally being 12,667 households having at least one deceased tenant in either the public housing or Sec. 8 programs. Analysis of HUD's PIC report and the deceased tenants' report shows HUD conservatively paid more than \$15.2 million for 3,995 voucher program households with at least one deceased family member, including \$7 million in overpayments for single-member households. These payments are deemed "clearly questionable" in the IG report, which says the estimate on what is questionable for the remainder that went to multi-occupant tenants could vary.

"HUD should require agencies to support or repay their programs the estimated \$7 million for deceased tenants in single-member households," the IG report says. "HUD should also require agencies to follow up and recover/reimburse inaccurate payments on behalf of deceased tenants in multiple-member households."

The Feb. 11 EIV report shows 11,284 deceased tenants in both programs, about 5,567 participating in the voucher program. A sample shows that agencies either were unaware that recipients had died or found out when finding a new family in the unit when inspections were performed.

11/20/2009 12:05 PM



# Four in Section 8 house arrested in burglary spree

*This story appeared in the Antelope Valley Press  
Thursday, December 3, 2009.*

**By CHARLES F. BOSTWICK**  
**Valley Press Managing Editor**

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LANCASTER - A parolee and two other women suspected in at least five burglaries at westside homes are due in court today after their arrest by detectives who had been watching their home, a Section 8-subsidized house rented to the mother of two of the suspects.

Guns, jewelry and a computer stolen in the burglaries were found by Lancaster Burglary Suppression Team detectives at the house in the 600 block of West Trixis Avenue, and a man who had been living at the house along with the women was arrested on suspicion of possessing one of the stolen guns, deputies said.

"Great job by the burglary team," said Deputy Michael Montesdeoca, a Lancaster Sheriff's Station spokesman.

The burglary suspects are Keisha Smith, 25, who is also being held on suspicion of violating parole; Cynishia Harris, 22, and Shameka Alexander, 22. Also arrested was William Smith, 38.

Los Angeles County Housing Authority investigators will begin the process of revoking the Section 8 aid, which provides government money to help pay the rent, because one of the house's occupants was not authorized to live there, deputies said. They also are looking into the possibility of additional violations of Section 8 rules.

Burglary Suppression Team detectives were led to the house after receiving descriptions from witnesses of one burglary suspect and of a small red car that was used in the break-ins.

Detectives were watching the Trixis Avenue house Tuesday when a car resembling the one used in the burglaries drove up. They detained the driver,

Keisha Smith, who fit the description of the burglary suspect and who they learned was on parole from prison.

The two other women and William Smith were arrested after a search of the house turned up stolen property, deputies said.

As part of their ongoing effort to combat burglaries, Lancaster deputies twice on Wednesday surrounded neighborhoods. In the first incident, on Wednesday morning in a neighborhood at 60th Street West and Avenue K, deputies briefly detained two men while investigating a report of a possible burglary in progress, but quickly released them after determining no burglary had occurred.

Deputies responding to a report of a burglary in progress on Wednesday afternoon at a house on Danya Lane surrounded a neighborhood near 32nd Street West and Avenue J-4, south of Lancaster High School.

Three suspects were taken into custody, Montesdeoca said, and deputies found property stolen from the home.

The suspects were being questioned by detectives Wednesday evening, and their names were not immediately released.

[cbostwick@avpress.com](mailto:cbostwick@avpress.com)



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**Gloria Molina  
Mark Ridley-Thomas  
Zev Yaroslavsky  
Don Knabe  
Michael D. Antonovich**  
Commissioners

**Sean Rogan**  
Executive Director

December 16, 2009

Honorable Housing Commissioners  
Housing Authority of the  
County of Los Angeles  
2 Coral Circle  
Monterey Park, California 91755

Dear Commissioners:

**APPROVE AN ENGINEERING AND ENERGY EFFICIENCY CONSULTANT  
CONTRACT WITH FACILITY STRATEGIES GROUP FOR THE NUEVA MARAVILLA  
HOUSING DEVELOPMENT IN UNINCORPORATED EAST LOS ANGELES  
(DISTRICT 1)**

**SUBJECT**

This letter recommends the approval of an engineering and energy efficiency consultant contract with Facility Strategies Group to provide consulting services which include energy and sustainability planning, engineering, financial analysis, project management and development for the Nueva Maravilla housing development located at 4919 Cesar E. Chavez Avenue in unincorporated East Los Angeles.

**IT IS RECOMMENDED THAT YOUR COMMISSION:**

1. Recommend that the Board of Commissioners find that approval of a contract for an engineering and energy efficiency consultant is not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the action is not defined as a project under CEQA.
2. Recommend that the Board of Commissioners award and authorize the Executive Director to execute and if necessary terminate a two-year contract in the amount of \$300,000 with Facility Strategies Group to provide engineering and energy efficiency consulting services for the Nueva Maravilla housing development, following approval as to form by County Counsel, and using a total of \$300,000 in Capital Fund

Recovery Competition (CFRC) funds allocated by the U.S. Department of Housing and Urban Development (HUD) for this purpose.

3. Recommend that the Board of Commissioners authorize the Executive Director to approve contract amendments to increase the compensation amount by up to \$30,000 for unforeseen project costs using the same source of funds, to extend the term as necessary without further increasing the contract sum, and to address other unforeseen issues, following approval as to form by County Counsel.
4. Recommend that the Board of Commissioners authorize the Executive Director to incorporate up to \$165,000 in CFRC funds into the Housing Authority's approved Fiscal Year 2009-10 budget for the first year of services.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of this action is to award a contract for engineering and energy efficiency consulting services which include energy and sustainability planning, engineering, project management and development, financial analysis, and other associated work at the Nueva Maravilla housing development.

### **FISCAL IMPACT/FINANCING**

There is no impact on the County general fund. The Housing Authority will fund this two-year Contract with \$300,000 in CFRC funds allocated by HUD. A ten percent contingency, in the amount of \$30,000, is also being set aside for unforeseen costs, using the same source of funds. A total of up to \$165,000 will be incorporated into the Housing Authority's approved Fiscal Year 2009-10 budget. Funds for Fiscal Year 2010-11 will be requested through the Housing Authority's annual budget approval process.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The proposed contract will provide engineering and energy efficiency consulting at the Nueva Maravilla housing development. The services will make the site more energy efficient and will provide future cost savings to the Housing Authority. The Consultant will primarily provide energy efficiency analysis and new design specifications for lighting, appliances, water, solar photovoltaics, solar thermal hot water, and xeriscaping. The Consultant will take a primary engineering and project development role in all energy, renewable, and sustainability retrofits, and a consulting engineering role in the electrical metering and irrigation system.

The improvements are being federally funded, and are not subject to the requirements of the Greater Avenues for Independence (GAIN) Program or the General Relief Opportunity for Work (GROW) Program implemented by the County of Los Angeles.

Instead, Facility Strategies Group will comply with Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment and other economic opportunities generated by certain HUD assistance be directed to low and very low-income persons, particularly to persons who are recipients of HUD housing assistance.

The attached contract has been approved as to form by County Counsel and executed by Facility Strategies Group.

### **ENVIRONMENTAL DOCUMENTATION**

This project is exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(1) and (8) because it involves design activities that will not have a physical impact on or result in any physical changes to the environment. The action is not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378 because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

### **CONTRACTING PROCESS**

On January 16, 2008, the Housing Authority initiated an outreach to identify a consultant for energy efficiency improvements at Housing Authority sites. Requests for Statement of Qualifications were mailed to 52 engineering firms identified from the Housing Authority's vendor list. Advertisements also appeared in thirteen newspapers and on the County website.

On February 11, 2008, two Statements of Qualifications were received and formally reviewed by Housing Authority, Community Development Commission Construction Management Division, and Los Angeles County Internal Services Department staff. Facility Strategies Group was selected as the most qualified firm.

On September 2008, Facility Strategies Group began a comprehensive energy audit of several Housing Authority sites and analyzed utility bills to determine usage trends and benchmark performance. This contract was limited to the energy audit until the Housing Authority could secure funding to proceed with site improvements.

On September 29, 2009, the Housing Authority received \$5,924,000 in CFRC funds allocated by HUD to make the Nueva Maravilla housing development more energy efficient. The award of these funds will allow the Housing Authority to move forward with the proposed contract.

The Summary of Outreach Activities is provided as Attachment A.

**IMPACT ON CURRENT PROJECT**

The proposed Contract will provide for engineering and energy efficiency consulting services at the Nueva Maravilla housing development. These improvements will serve to conserve energy, increase safety, and provide costs savings to the Housing Authority.

Respectfully submitted,



SEAN ROGAN  
Executive Director

Attachments: 2

## ATTACHMENT A

### **Summary of Outreach Activities**

#### Request for Statements of Qualifications (RFSQ) for Energy Efficiency Consulting Services

This energy efficiency Contract with Facility Strategies Group will provide consulting services to include energy and sustainability planning, engineering, project management and development, commissioning, financial analysis, and other associated work

On January 16, 2008, the Housing Authority initiated an outreach to identify a consultant for energy efficiency improvements at Housing Authority sites. Requests for Statement of Qualifications were mailed to 52 engineering firms identified from the Housing Authority's vendor list. Advertisements also appeared in thirteen newspapers and on the County website.

On February 11, 2008, two Statements of Qualifications were received and formally reviewed by the Housing Authority, the Construction Management Division, and the Los Angeles County Internal Services Department staff. Facility Strategies Group was selected as the most qualified firm. The following outreach was initiated to identify a Consultant:

#### A. Newspaper Advertising

Announcements appeared in the following thirteen local newspapers:

Culver City Star	Montebello News
Southwest Wave	Los Angeles Sentinel
Los Angeles Independent	Los Angeles Times
Antelope Valley Press	The Daily News Los Angeles
La Opinion	Eastside Sun
International Daily News	Acton Agua Dulce Weekly News
Press Telegram	

The announcement of the RFSQ was also posted on the County website. Firms were asked to request the RFSQs via email directly through the County's website website or to obtain the RFSQ from the Commission/Housing Authority.

#### B. Distribution of RFSQs

The Commission's vendor list was utilized to mail out the RFSQ to 52 engineering firms, and four other firms that were identified by HUD as highly knowledgeable in HUD Energy Performance Contracting.

C. Pre-submittal conference

On January 29, 2008, a total of five firms attended a mandatory pre-submittal conference to address questions about the SOQ format, submittal requirements and scope of various projects.

D. Statements of Qualifications (SOQs)

On February 11, 2008, a total of two firms submitted SOQs, of which one identified itself as female or minority-owned.

E. Review of SOQs

On August 5, 2008, staff from the Housing Authority, the Community Development Commission Construction Management Division, and the Internal Services Department selected Facility Strategies Group as the most qualified firm.

Facility Strategies Group was invited to submit a fee proposal for energy consulting services and entered into negotiations with the Housing Authority, resulting in the proposed Contract totaling an aggregate amount of \$300,000.

F. Participation of Minorities and Women – Selected Architect

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
Facility Strategies Group	Non-Minority	Total: 5 1 minorities 1 women 20% minority 20% women

G. Participation of Minorities and Women - Firms Not Selected

MEDG Engineers	Minority	Total: N/A 0 minorities 0 women 0% minority 0% women
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The Housing Authority conducts ongoing outreach to include minorities and women in the contract award process, including: providing information at local and national conferences; conducting seminars for minorities and women regarding programs and services; advertising in newspapers to invite placement on the vendor list; and



mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Housing Authority.

The recommended award of this Contract is being made in accordance with the Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.

## ATTACHMENT B

### Contract Summary

**Project Name:** Nueva Maravilla Energy Efficiency Implementation  
**Location:** 4919 Cesar Chavez Avenue in Unincorporated East Los Angeles County  
**Consultant:** Facility Strategies Group  
**Services:** Energy Efficiency Consulting Services  
**Bid Number:** CDC08-335  
**SOQ Deadline:** February 11, 2008  
**Services:** Facility Strategies Group will assist the Housing Authority in implementing the energy efficient measures and work items funded with a CFRC grant to revitalize the Nueva Maravilla Housing Development. The scope includes energy and sustainability planning, engineering, project management and development, commissioning, financial analysis, savings verification, and related support activities. Design work includes solar photovoltaic, solar thermal hot water, domestic hot water, appliances, lighting, landscaping and irrigation systems.

**Contract Documents:** Consulting Services Contract; Attachment A- Fee Schedule, Attachment B and B1-Scope of Services, Attachment C– Required Contract Forms, Attachment D– Required Contract Notices.

**Time of Commencement and Completion:** Services shall be performed upon receipt of a written Notice to Proceed from the Housing Authority. The Consultant will only perform the scope of work identified in the Notice to Proceed.

**Contract Sum:** The Housing Authority shall pay the Consultant for the performance of the Design Contract subject to additions and deductions by Change Order(s) as provided in the Contract Documents, in current funds, the sum of **Three Hundred Thousand Dollars and Zero Cents (\$300,000.00)**. The Contract Sum is not subject to escalation, includes all labor and material increases anticipated throughout the duration of this Contract.

**Contract Contingency:** \$30,000.00



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*Commissioners*

**Sean Rogan**  
*Executive Director*

December 16, 2009

Honorable Housing Commissioners  
Housing Authority of the  
County of Los Angeles  
2 Coral Circle  
Monterey Park, California 91755

Dear Commissioners:

**APPROVAL OF AUTHORITY TO INITIATE EVICTION PROCEEDINGS FOR UJIMA  
VILLAGE HOUSING DEVELOPMENT LOCATED IN UNINCORPORATED  
WILLOWBROOK (DISTRICT 2)**

**SUBJECT**

This letter recommends that the Board of Commissioners authorize the Executive Director to serve 30-day eviction notices on Ujima Village tenants who do not vacate the premises after the 90-day notices to vacate expire.

**IT IS RECOMMENDED THAT YOUR COMMISSION:**

1. Recommend that the Board of Commissioners find that approval of authority to initiate eviction proceedings for the Ujima Village housing development is not subject to the provisions of the California Environmental Quality Act, because the actions will not have the potential for causing a significant effect on the environment.
2. Recommend that the Board of Commissioners authorize the Executive Director to serve 30-day eviction notices on the remaining Ujima Village residents, pursuant to the requirements of the Uniform Relocation Act.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of this action is to seek your Board's approval to serve 30-day eviction notices on Ujima Village tenants who do not vacate the premises after the 90-day notices to vacate expire.



### **FISCAL IMPACT/FINANCING**

There is no impact on the County general fund.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Ujima Village is located at 941 E. 126<sup>th</sup> Street in the unincorporated Willowbrook area. In 2007, the Housing Authority submitted environmental documentation to the California Regional Water Quality Control Board (Water Board) related to the site's former use as the Athens Tank Farm where gasoline and crude oil had been stored. In November 2007, the Water Board issued an order to the Housing Authority and to ExxonMobil to complete environmental investigation, assessment, monitoring, and cleanup of the Ujima Village site. Preliminary findings indicate there is no immediate health risk to Ujima Village residents. As a direct result of the Water Board's order, the U.S. Department of Housing and Urban Development (HUD) notified the Housing Authority of its intent to offer relocation assistance to Ujima Village residents wishing to relocate voluntarily. On June 13, 2008, HUD began offering relocation assistance to the 159 households then residing at the site.

On April 14, 2009, your Board approved the Ujima Village Relocation Plan to assist tenants ineligible for HUD assistance and tenants who did not move using HUD's assistance. At that time your Board also directed the Housing Authority to initiate the environmental review process for the disposition of Ujima Village, and authorized the Executive Director to serve the remaining Ujima Village residents with a 90-day notice to vacate the property. Currently, only six households occupy the 300-unit apartment complex.

On October 2, 2009, the Housing Authority's relocation consultant, Overland, Pacific & Cutler, served 90-day notices on the remaining six Ujima Village households. The 90-day notices are due to expire on December 31, 2009. The remaining residents were notified that any household refusing to vacate the property following expiration of the 90-day notices would be issued a 30-day eviction notice. In this regard, the 90-day notices state that pursuant to Section 24.203(c) of Part 24 of Title 49 of the Code of Federal Regulations, the Housing Authority will issue a second and final notice, at least 30 days in advance, setting forth the date by which each resident shall be required to vacate. If the remaining residents do not vacate Ujima Village by the date specified in the 30-day notices, the Housing Authority will initiate legal proceedings to evict the residents and all other occupants in the unit.

### **Environmental Review Process**

On October 19, 2009, ExxonMobil began drilling for groundwater testing on the adjacent Earvin "Magic" Johnson Recreation Area, which was also part of the original Athens Tank Farm. The full extent of contamination and appropriate method of remediation

cannot be determined until the drilling, analysis and monitoring are completed. Currently, drilling has not begun on the Ujima Village premises.

### **Demolition**

In November, HUD approved the demolition of Ujima Village and authorized the use of the property as open space and for recreational use. Currently the Housing Authority is determining the funding source for the demolition costs and the specific future reuse of the site, after which the Housing Authority will seek your Board's approval

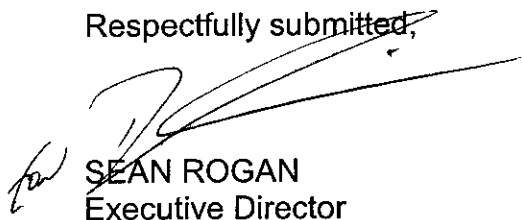
### **ENVIRONMENTAL DOCUMENTATION**

This activity is exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3), because it involves an administrative activity that will not have a physical impact on or result in any physical changes to the environment. The activity is also not subject to the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

### **IMPACT ON CURRENT PROGRAM**

The Executive Director's authorization to serve 30-day eviction notices on the remaining six Ujima Village households, will allow the site to be completely vacated and closed, as instructed by your Board last year.

Respectfully submitted,



SEAN ROGAN  
Executive Director



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**Sean Rogan**  
*Executive Director*

December 16, 2009

Honorable Housing Commissioners  
Housing Authority of the  
County of Los Angeles  
2 Coral Circle  
Monterey Park, California 91755

Dear Commissioners:

**APPROVE ONE-YEAR CONTRACTS FOR SECURITY GUARD SERVICES  
(ALL DISTRICTS)**

**SUBJECT**

This letter requests approval of contracts with General Security Services, Inc., Star Alliance Security, Inc., and American Guard Services, Inc. to provide security guard services at offices, housing developments and other properties that are owned, leased or managed by the Housing Authority of the County of Los Angeles.

**IT IS RECOMMENDED THAT YOUR COMMISSION:**

1. Recommend that the Board of Commissioners find that the approval of one-year contracts for Security Guard Services is not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the action will not have the potential for causing a significant effect on the environment.
2. Recommend that the Board of Commissioners approve and authorize the Executive Director to execute one-year contracts for Security Guard Services (Contracts) with General Security Services, Inc., Star Alliance Security, Inc., and American Guard Services, Inc., using the form of the attached standard Contract, to provide regular unarmed security guard services at the Housing Authority's administrative offices in the cities of Santa Fe Springs and Palmdale, and as-needed armed and unarmed security guard services at various housing sites and other properties owned, leased or managed by the Housing Authority throughout the County of Los Angeles, to be effective following approval as to form by County Counsel and execution by all parties.



3. Recommend that the Board of Commissioners authorize the Executive Director to use up to an aggregate amount of \$222,000, consisting of \$122,000 in Section 8 Administrative Funds, \$50,000 in Capital Fund Program funds, and \$50,000 Housing Authority operating funds to be incorporated into the Housing Authority's approved Fiscal Year 2009-2010 budget as needed.
4. Recommend that the Board of Commissioners authorize the Executive Director to execute Contract amendments, following approval as to form by County Counsel, as necessary to incorporate specific sites, site-specific work requirements, compensation amounts, and other necessary terms and conditions; and authorize the Executive Director to extend the time of performance for a maximum of two years, in one-year increments, and to use for this purpose funds approved through the Housing Authority's annual budget process, not exceeding \$222,000 annually for the three Contracts.
5. Recommend that the Board of Commissioners authorize the Executive Director to use for unforeseen regular and/or as-needed security guard services during year one of the Contracts, a maximum of \$55,500 to be incorporated in the Housing Authority's approved Fiscal Year 2009-2010 budget as needed; and an equal amount of annual funding for unforeseen regular and/or as-needed security guard services for years two and three of the Contracts, to be requested through the annual budget process if needed.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of this action is to enter into Contracts to provide regular and as-needed security guard services at the Housing Authority's Santa Fe Springs and Palmdale offices, various housing sites, and other properties owned, leased or managed by the Housing Authority.

#### **FISCAL IMPACT/ FINANCING**

There is no impact on the County general fund. The aggregate amount that may be expended annually for all three Contracts will not exceed \$222,000, consisting of \$122,000 in Section 8 Administrative Funds, \$50,000 in Capital Fund Program funds, and \$50,000 Housing Authority operating funds. The Contracts may be extended for two additional years, in one-year increments, at the same annual cost.

Contingency funds for unforeseen regular and/or as-needed security guard services for all three Contracts will not exceed a combined total of \$55,500 per year. This contingency amount is needed in the event that civil unrest or natural disasters occur,

which would require additional private security services to supplement our customary contract service with the Sheriff's Department's Community Policing Program (CCP).

Funds will be incorporated as needed into the Housing Authority's approved Fiscal Year 2009-2010 budget for the first year of services and contingency needs. If the Contracts are extended, additional funding will be included through the annual budget process.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The Housing Authority on an ongoing basis requires the services of security guards to patrol Housing Authority Section 8 office buildings. Periodically, security guard services are needed at housing developments and construction sites, and to supplement law enforcement protection during emergencies.

Based on the results of the procurement process, General Security Services, Inc. (General) has been selected as the primary service provider for regular unarmed services at the Housing Authority Section 8 offices. In the event that General is unable to provide as-needed security services at the time needed or if flexibility is required for the delivery of services, Star Alliance Security, Inc. and American Guard Security, Inc. will be available to provide identical services to the Housing Authority.

The initial Contracts with each service provider will be for one year. The Contracts may be extended for a maximum of two additional years, in one-year increments, subject to the availability of funds and satisfactory performance.

The proposed services are being federally funded, and are not subject to the requirements of the Greater Avenues for Independence (GAIN) and General Relief Opportunity for Work (GROW) Programs implemented by the County of Los Angeles. Instead, the service providers must comply with Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment and other economic opportunities generated by certain U.S. Housing and Urban Development (HUD) assistance be directed to low- and very low-income persons, particularly to persons who are recipients of HUD housing assistance.

The service providers must also comply with the Housing Authority's Living Wage Program (LWP), which requires that they pay their employees assigned to regular posts no less than the applicable hourly living wage rate, as set forth in the LWP.

The attached sample Contract has been reviewed by County Counsel.

### **CONTRACTING PROCESS**

On September 4, 2009, a Request for Proposals (RFP) process was initiated to identify service providers to provide security guard services for the Housing Authority. Notices were mailed to 68 vendors identified from the Housing Authority's vendor list. The



Notice was posted on the County's website and the complete solicitation package was posted on the Housing Authority's website. Eighty-seven service providers requested and received solicitation packages. On September 15, 2009, thirty-three service providers attended the Pre-Proposal Conference. Sixteen proposals were received on September 21, 2009.

Eleven proposals did not meet the minimum RFP requirements or were determined non-responsive. A staff committee evaluated the remaining five proposals. The proposal submitted by General Security Services, Inc. received the highest evaluation score.

The Summary of Outreach Activities is provided as Attachment A.

#### **ENVIRONMENTAL DOCUMENTATION**

Approval of the one-year Contracts is exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3) because it involves administrative activities that will not have a physical impact on or result in any physical changes to the environment. The action is not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

#### **IMPACT ON CURRENT PROGRAMS**

The proposed Contracts will provide regular and as-needed security guard services for the Housing Authority's office buildings, housing sites, and various other properties.

Respectfully submitted,



SEAN ROGAN  
Executive Director

Attachment

## ATTACHMENT A

### Summary of Outreach Activities

#### Armed and Unarmed Security Guard Services

Beginning on September 4, 2009, the following outreach was initiated to identify Security Guard contractors who are able to provide necessary armed and unarmed security guard services for the Housing Authority.

##### A. Announcement

An announcement was posted on the County's WebVen website and on the Housing Authority website.

##### B. Distribution of Notices

The Housing Authority's vendor list was used to mail out the Request for Proposals (RFP) notices to 68 security guard contractors, of which 35 identified themselves as firms owned by minorities or women (private firms that are 51 percent owned by minorities or women, or publicly owned businesses, in which 51 percent of the stock is held by minorities or women). As a result of the outreach, sixteen proposals were received.

As a result of the outreach 87 solicitation packages were downloaded.

##### C. Proposal Results

On September 21, 2009, sixteen proposals were received. From sixteen proposals, six were disqualified, five were found to be non-responsive and the five proposals that met the minimum requirements were forwarded to the five-member evaluation panel for further review. The evaluation committee used the "informed averaged" scoring methodology using a 1,000 points system as established in the solicitation package. The evaluation criteria consisted of qualifications (experience, background, references, etc.) approach to providing the services, Section 3, Living Wage Program and costs. The final evaluation results are as follows:

Rankings	Evaluation Score
• General Security Services	946
• Star Alliance Security Services	722
• Cypress Private Security Services	662
• American Guard Services	595
• Ceed Security Services	533

General Security Services is being recommended for Contract award for regular and as-needed service based on the evaluation criteria set forth in the RFP. Star Alliance Security Services and American Guard Services are being recommended for a Contract for as-needed security guard services.

D. Minority/Women Participation – Selected Agency

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
General Security Services	Non-Minority	Total: 121 88 Minorities 28 Women 72% Minorities 23% Women
Star Alliance Security Services	Minority	Total: 15 15 Minorities 0 Women 100% Minorities 0% Women
American Guard Services	Minority	Total: 933 865 Minorities 365 Women 92% Minorities 39% Women

E. Minority/Women Participation – Firms Not Selected

Ceed Security Services	Minority	Total: 51 50 Minorities 13 Women 98% Minorities 22% Women
Cypress Private Security Services	Non-Minority	Total: 517 437 Minorities 96 Women 84% Minorities 18% Women

The Housing Authority conducts ongoing outreach to include minorities and women in the Contract award process, including: providing information at local and national conferences; conducting seminars for minorities and women regarding programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Housing Authority.

The recommended award of Contract is being made in accordance with the Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.



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**Gloria Molina**  
**Mark Ridley-Thomas**  
**Zev Yaroslavsky**  
**Don Knabe**  
**Michael D. Antonovich**  
*Commissioners*

**Sean Rogan**  
*Executive Director*

December 16, 2009

Honorable Housing Commissioners  
Housing Authority of the  
County of Los Angeles  
2 Coral Circle  
Monterey Park, California 91755

Dear Commissioners:

**APPROVE SUBLEASE FOR THE UNIVERSITY OF CALIFORNIA COOPERATIVE  
EXTENSION PROGRAM OFFICE SPACE AT 335-337 EAST AVENUE K-10 IN THE  
CITY OF LANCASTER (FIFTH DISTRICT)**

**SUBJECT**

This letter recommends approval of a Sublease between the Housing Authority of the County of Los Angeles (Housing Authority) and the County of Los Angeles (County), which will enable the Housing Authority to lease approximately 1,035 square feet of office space located at 335-337 East Avenue K-10 in the City of Lancaster, for use by the University of California Cooperative Extension program.

**IT IS RECOMMENDED THAT YOUR COMMISSION:**

1. Recommend that the Board of Commissioners find that approval of a Sublease between the Housing Authority and the County is exempt from the California Environmental Quality Act as described herein, because the activities will not have the potential for causing a significant effect on the environment.
2. Recommend that the Board of Commissioners approve a Sublease between the Housing Authority and the County, which will enable the Housing Authority to lease approximately 1,035 square feet of office space located at 335-337 East Avenue K-10 in the City of Lancaster, for use by the University of California Cooperative Extension program.
3. Recommend that the Board of Commissioners authorize the Executive Director to execute the Sublease and all related documents, and to use a total of \$24,715 in County general funds included in the Housing



Authority's approved Fiscal Year 2009-2010 budget for this purpose.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of this action is to enter into a Sublease to provide office space for the University of California Cooperative Extension program (Cooperative Extension) at 335-337 East Avenue K-10 in the City of Lancaster, just two blocks east of their current location at the County Regional Center. The space vacated by Cooperative Extension at the County Regional Center will be occupied by the Departments of Public Works, Public Health, Regional Planning, and the Fire Department, allowing these departments to offer expanded services to clients in the Antelope Valley and surrounding communities.

### **FISCAL IMPACT/FINANCING**

Cooperative Extension is funded with County general funds included in the Housing Authority's annual budgets. Cooperative Extension's rent under the proposed Sublease will be paid to the County using these funds.

Under the proposed Sublease, the base rent will be \$1.99 per square foot per month, payable in equal monthly installments of \$2,059.65. The Housing Authority will also pay a proportionate share of the utilities, janitorial services, and any other operating expenses incurred.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Cooperative Extension supports local farmers and residents by providing services related to urban gardens, horticulture, natural resource management, and environmental issues.

In 1993, the Board of Supervisors transferred the Cooperative Extension program from the Los Angeles County Department of Community and Senior Services to the Community Development Commission. Thereafter, the Housing Authority assumed responsibility for administering the program because of its close link in mission to the program. Since that time, the Cooperative Extension's budget has been administered by the Housing Authority. The County and the Housing Authority jointly support the continuation of the Cooperative Extension program services. The Housing Authority leases office space for the Cooperative Extension.

The County currently leases the space at 337 East Avenue K-10 from Frank A. Visco, under a Master Lease adopted by the Board of Supervisors on May 30, 2006. On December 8, 2009, the Board of Supervisors amended the Master Lease to add an additional 3,126 square feet and 12 parking spaces, in order to accommodate Cooperative Extension, as well as the Department of Military and Veteran Affairs and the Agricultural Commissioner.

The Sublease will be effective following approval as to form by County Counsel and execution by all parties. The Sublease will terminate concurrently with the Master Lease, which is currently set to expire on January 1, 2022. The Housing Authority will have the option of terminating the Sublease upon giving at least 90 days notice.

On December 8, 2009, the Board of Supervisors approved the Sublease on behalf of the County.

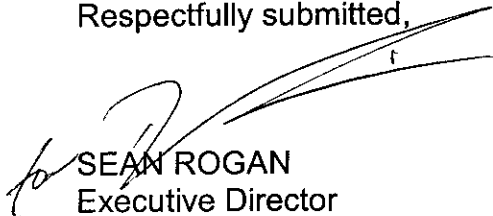
#### **ENVIRONMENTAL DOCUMENTATION**

This action is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301 because it involves no expansion of an existing use and does not have the potential for causing a significant effect on the environment.

#### **IMPACT ON CURRENT SERVICES**

The Sublease will provide office space for the Cooperative Extension program. The relocation from the existing space at the County Regional Center will not impact services.

Respectfully submitted,



SEAN ROGAN  
Executive Director

Attachment



**HOUSING AUTHORITY  
of the County of Los Angeles**

Administrative Office

2 Coral Circle • Monterey Park, CA 91755

323.890.7001 • TTY: 323.838.7449 • [www.lacdc.org](http://www.lacdc.org)



**Gloria Molina**  
**Mark Ridley-Thomas**  
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**Don Knabe**  
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*Commissioners*

**Sean Rogan**  
*Executive Director*

December 16, 2009

Honorable Housing Commissioners  
Housing Authority of the  
County of Los Angeles  
2 Coral Circle  
Monterey Park, California 91755

Dear Commissioners:

**APPROVE CONSTRUCTION CONTRACT WITH AZ HOME INC. FOR SOUTHBAY  
GARDENS COMMUNITY ROOM KITCHEN PROJECT IN UNINCORPORATED  
SOUTH LOS ANGELES (DISTRICT 2)**

**SUBJECT**

This letter recommends approval of a construction contract with AZ Home, Inc. for the rehabilitation of a community room kitchen the Southbay Gardens senior housing development unincorporated South Los Angeles.

**IT IS RECOMMENDED THAT YOUR COMMISSION:**

1. Recommend that the Board of Commissioners find that the approval of a contract for the rehabilitation of the community room kitchen at the Southbay Gardens senior housing development is exempt from the provisions of the California Environmental Quality Act (CEQA) because the work includes activities that will not have the potential for causing a significant effect on the environment.
2. Recommend that the Board of Commissioners award and authorize the Executive Director to execute and if necessary terminate a contract with AZ Home, Inc. to complete the rehabilitation of the community room kitchen at the Southbay Gardens senior housing development, following approval as to form by County Counsel, using \$132,000 in Community Development Block Grant (CDBG) funds allocated to the Second Supervisorial District by the U.S. Department of Housing and Urban Development (HUD) and included in the Housing Authority's approved Fiscal Year 2009-10 budget for this purpose.



3. Recommend that the Board of Commissioners authorize the Executive Director to approve contract change orders not exceeding \$26,420 for unforeseen project costs, using the same source of funds and following approval as to form by County Counsel.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of this action is to award a Contract to complete the rehabilitation of the community room kitchen at the Southbay Gardens senior housing development.

### **FISCAL IMPACT/FINANCING**

There is no impact on the County general fund. The Housing Authority will fund the improvements with \$132,100 in CDBG funds allocated to the Second Supervisorial District by HUD and included in the Housing Authority's approved Fiscal Year 2009-10 budget.

A \$26,420.00 contingency is also being set aside for unforeseen costs, using the same source of funds. A 20% contingency is recommended because this type of work often involves unforeseen conditions beyond what was initially identified in the scope of work.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Southbay Gardens is a 100-unit senior housing development located at 230 E. 103th Street in unincorporated South Los Angeles.

The scope of work for the rehabilitation of the community room kitchen at Southbay Gardens includes the replacement of cabinetry, countertops, sink, plumbing fixtures, flooring & lighting fixtures, and installation of previously purchased kitchen appliances and equipment. The previously purchased items include: icemaker, refrigerator, freezer, two microwaves, dishwasher, stainless steel kitchen work table, range with oven, kitchen sink and kitchen faucet. The contract will also include the remodeling of two public bathrooms. The two public bathrooms will be reduced in size to expand the space of the community room kitchen.

The improvements are being federally funded, and are not subject to the requirements of the Greater Avenues for Independence (GAIN) Program or the General Relief Opportunity for Work (GROW) Program implemented by the County of Los Angeles. Instead, AZ Home, Inc. will comply with Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment and other economic opportunities generated by certain HUD assistance be directed to low- and very low-income persons, particularly to persons who are recipients of HUD housing assistance.



The contract has been approved as to form by County Counsel and executed by AZ Home, Inc.

### **CONTRACTING PROCESS**

On October 9, 2009, the Housing Authority initiated an outreach to identify a contractor to complete the work at the subject property. Invitations for Bids were mailed to all 606 Class B licensed contractors identified from the Housing Authority's vendor list. Advertisements also appeared in eight local newspapers and on the County WebVen website. Twenty-four bid packages were requested and distributed.

On November 5, 2009, twelve bids were received and formally opened. Summit Construction and Remodeling submitted the lowest bid but did not provide the required project references or preliminary construction schedule. AZ Home, Inc. submitted the second lowest bid and is being recommended for the Contract award. The Summary of Outreach Activities is provided as Attachment A.

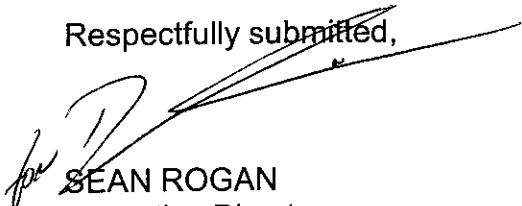
### **ENVIRONMENTAL DOCUMENTATION**

Pursuant to Title 24 of the Code of Federal Regulations, Section 58.35 (a) (3) (ii), this action is excluded from the National Environmental Policy Act (NEPA) because it involves activities that will not alter existing environmental conditions. The action is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301 because it does not have the potential for causing a significant effect on the environment.

### **IMPACT ON CURRENT PROJECT**

The rehabilitation of the existing community room kitchen at the Southbay Gardens senior housing development will continue to provide the residents with decent, safe and sanitary living conditions.

Respectfully submitted,



SEAN ROGAN  
Executive Director

Attachments: 2

## ATTACHMENT A

### Summary of Outreach Activities

#### Southbay Gardens Recreation Room Kitchen Expansion Project

On October 9, 2009, the following outreach was initiated to identify a contractor for the Recreation Room Kitchen Expansion at the Southbay Gardens senior housing development located at 230 E. 130<sup>th</sup> Street in unincorporated South Los Angeles.

##### A. Newspaper Advertising

Announcements appeared in the following eight local newspapers:

Dodge Construction News	La Opinion
Eastside Sun	Los Angeles Sentinel
International Daily News	Los Angeles Times
The Daily News	Wave Community Newspapers

An announcement was also posted on the County website.

##### B. Distribution of Bid Packages

The Housing Authority's vendor list was used to mail out Invitations for Bids to 606 B-licensed contractors, of which 430 identified themselves as businesses owned by minorities or women (private firms which are 51 percent owned by minorities or women, or publicly-owned businesses in which 51 percent of the stock is owned by minorities or women). As a result of the outreach, twenty-four bid packages were requested and distributed.

##### C. Pre-Bid Conference and Site Walk

On June 22, 2009 a mandatory pre-bid conference and site walk was conducted. Thirty-six firms were in attendance.

##### D. Bid Results

On November 5, 2009, a total of twelve bids were received and publicly opened. The bid result was as follows:

<u>Company</u>	<u>Bid Amount</u>
Summit Construction and Remodeling	\$132,000.00
AZ Home, Inc.	\$132,100.00
Advantage Plumbing Group, Inc.	\$134,968.00
Fasone Construction, Inc. *	\$138,807.00
Texsun Construction, Inc. *	\$142,300.00
Corral Construction *	\$144,493.00
TLM Petro Labor Force, Inc. *	\$149,500.00
Fast-Track Construction	\$169,990.00
Spec. Construction, Inc.	\$175,400.00
Avi-Con, Inc. *	\$187,000.00
C.A.S. General Contractor *	\$188,000.00
ZK Construction	\$196,000.00

\*Minority Firms

E. Minority/Female Participation – Selected Contractor

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
AZ Home, Inc.	Non-Minority	Total: 15 15 Minorities 2 Women 100% Minorities 13% Women

F. Minority/Female Participation – Contractors Not Selected

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
Summit Construction and Remodeling	Non-Minority	Total: 1 0 Minorities 0 Women 0% Minorities 0% Women
Advantage Plumbing Group, Inc.	Non-Minority	Total: 7 4 Minorities 1 Woman 100% Minorities 14% Women
Fasone Construction, Inc.	Minority	Total: 12 5 Minorities 2 Women 42% Minorities 16% Women

Texsun Construction, Inc.	Minority	Total: 6 6 Minorities 0 Women 100% Minorities 0% Women
Corral Construction	Minority	Total: 7 6 Minorities 1 Woman 85% Minorities 15% Women
TLM Petro Labor Force, Inc.	Minority	Total: 35 31 Minorities 4 Women 88% Minorities
Fast-Track Construction	Non-Minority	Total: 15 12 Minorities 0 Women 80% Minorities 0% Women
Spec. Construction, Inc.	Non-Minority	Total: 14 7 Minorities 2 Women 50% Minorities 14% Women
Avi-Con, Inc.	Minority	Total: 30 18 Minorities 10 Women 60% Minorities 33% Women
C.A.S. General Contractor	Minority	Total: 3 3 Minorities 0 Women 100% Minorities 0% Women

ZK Construction

Non-minority

Total	4
0	Minorities
1	Woman
0%	Minorities
25%	Women

The Housing Authority conducts ongoing outreach to include minorities and women in the contract award process, including: providing information at local and national conferences; conducting seminars for minorities and women regarding programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Housing Authority.

The recommended award of the contract is being made in accordance with the Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.

### **Contract Summary**

**Project Name:** Southbay Gardens Community Room Kitchen Project  
**Location:** 230 E. 130<sup>th</sup> Street, Los Angeles, CA 90061  
**Bid Number:** CDC09-138  
**Bid Date:** November 5, 2009  
**Contractor:** AZ Home, Inc.  
**Services:** Rehabilitation of the existing kitchen, including the replacement of cabinetry, countertops, sink, plumbing fixtures, flooring & lighting fixtures, installation of previously purchased kitchen appliances and equipments, and remodel of two public bathrooms.

**Contract Documents:** Drawings dated October 6, 2009, prepared by URS; Part A – Instructions to Bidders and General Conditions; Part B – Specifications; Part C – Bidder's Documents, Representations, Certifications, Bid, and Other Statements of Bidder; all Addenda to the Contract Documents.

**Time of Commencement and Completion:** The work to be performed under this Contract shall be commenced within ten (10) days after a Notice to Proceed is received by the Contractor, or on the date specified in the Notice, whichever is later, and shall be completed within ninety (90) calendar days following the required commencement date.

**Liquidated Damages:** In the event of breach of contract, the Contractor and his/her sureties shall be liable for, and shall pay to the Housing Authority the sum of **Four Hundred Dollars and Zero Cents (\$400.00)** as liquidated damages for each calendar day of delay, until the Work is accepted by the Owner.

**Contract Sum:** The Housing Authority shall pay the Contractor for the performance of the Construction Contract subject to additions and deductions by Change Order(s) as provided in the Contract Documents, in current funds, the sum of **One Hundred Thirty-two Thousand One Hundred Dollars and Zero Cents (\$132,100.00)**. The Contract Sum is not subject to escalation, includes all labor and material increases anticipated throughout the duration of this Construction Contract.

**Contract Contingency:** \$26,420.00

**Housing Commission  
2010 Meeting Schedule  
12:00 noon**

<u>Date</u>	<u>Site</u>	<u>Address/ Telephone #</u>	<u>District</u>	<u>Description</u>
January 20	Nueva Maravilla (Community Center)	4909 Cesar E. Chavez Ave. Los Angeles, CA 90022 (323) 260-2188	1 <sup>st</sup>	504 Units of Family / Senior Housing
February 24	CDC/Headquarters	2 Coral Circle Monterey Park, CA 91755 (323) 890-7001	N/A	N/A
March 24	CDC/Housing Authority (Santa Fe Springs)	12131 Telegraph Rd. Santa Fe Springs, CA 90670 (562) 347-4663 ext# 8196	N/A	N/A
April 28	Lancaster Homes	711-737 W. Jackman Street Lancaster, CA 93534 (661) 255-5818	5 <sup>th</sup>	120 Units of Senior Housing
May 26	CDC/Headquarters	2 Coral Circle Monterey Park, CA 91755 (323) 890-7001	N/A	N/A
June 23	CDC/Housing Authority (Santa Fe Springs)	12131 Telegraph Rd. Santa Fe Springs, CA 90670 (562) 347-4663 ext# 8196	N/A	N/A
July 28	Marina Manor	3405 Via Dolce Marina Del Rey, CA 90092 (323) 653-3090	3 <sup>rd</sup>	71 Units of Senior Housing
August 25	CDC/Headquarters	2 Coral Circle Monterey Park, CA 91755 (323) 890-7001	N/A	N/A
September 22	CDC/Housing Authority (Santa Fe Springs)	12131 Telegraph Rd. Santa Fe Springs, CA 90670 (562) 347-4663 ext# 8196	N/A	N/A
October 27	Carmelitos	851 Via Carmelitos Long Beach, CA 90805 (562) 423-5464	4 <sup>th</sup>	713 Units of Family / Senior Housing
November 17	CDC/Headquarters	2 Coral Circle Monterey Park, CA 91755 (323) 890-7001	N/A	N/A
December 15	South Bay Garden	230 E. 130 <sup>th</sup> Street Los Angeles, CA 90061 (323) 242-1717	2 <sup>nd</sup>	100 Units of Senior Housing